RICHARDSON
TEXAS

CITY OF RICHARDSON

Annual Comprehensive Financial Report For Fiscal Year Ended September 30, 2024

RICHARDSON®
TEXAS

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF RICHARDSON, TEXAS

ANNUAL COMPREHENSIVE FINANCIAL REPORT
FOR THE FISCAL YEAR ENDED SEPTEMBER 30, 2024

Prepared By:
DEPARTMENT OF FINANCE

Kent Pfeil, CGFO – Chief Operating Officer

Anita Cothran, CGFO – Director of Finance

Todd Gastorf, CGFO - Assistant Director of Finance

Herman Chavez, CPA – Controller

Tu Anh Schroeter, CPA

Michael Spanos, CGFO

Casey Bennett, CGFO

Laci Grobler, CFE

Nanette Jordan

Lisa Harrington, CGFM

Derrian Johnson

Fiona Hsiao

Juliet Tosto, CPA

City of Richardson, Texas
Annual Comprehensive Financial Report
For the Year Ended September 30, 2024

Table of Contents

	PAGE
I. Introductory Section (Unaudited)	
Transmittal Letter	1
Principal Officials	10
Certificate of Award for Excellence	11
Organizational Chart	12
II. Financial Section	
A. Independent Auditor's Report	15
B. Management's Discussion and Analysis	21
C. Basic Financial Statements	
Government-Wide Financial Statements	
Statement of Net Position	34
Statement of Activities	37
Governmental Fund Financial Statements	
Balance Sheet	38
Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position	39
Statement of Revenues, Expenditures and Changes in Fund Balances	40
Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities	41
Proprietary Funds	
Statement of Net Position	42
Statement of Revenues, Expenses and Changes in Fund Net Position	45
Statement of Cash Flows	46
Notes to the Financial Statements	49
D. Required Supplementary Information	
Budgetary Comparison Schedule - General Fund	91
Budgetary Comparison Schedule - Hotel-Motel Fund	92
Schedule of Changes in Total OPEB Liability and Related Ratios	93
Schedule of Pension Contributions	94
Schedule of Changes in Net Pension Liability and Related Ratios	95
Notes to Required Supplementary Information	96
E. Individual and Combining Fund Financial Statements and Schedules	
Budgetary Comparison Schedule - Debt Service Fund	100
Nonmajor Governmental Funds	
Combining Balance Sheet	104
Combining Statement of Revenues, Expenditures and Changes in Fund Balances	106
Combining Balance Sheet - Municipal Court Funds	108
Combining Statement of Revenues, Expenditures and Changes in Fund Balances Municipal Court Funds	109

City of Richardson, Texas
Annual Comprehensive Financial Report
For the Year Ended September 30, 2024

Table of Contents

	PAGE
Budgetary Comparison Schedule - Municipal Court Building Security Fund	110
Budgetary Comparison Schedule - Technology Fund	111
Budgetary Comparison Schedule - Judicial Efficiency Fund	112
Budgetary Comparison Schedule - Municipal Jury Fund	113
Budgetary Comparison Schedule - Juvenile Case Manager	114
Combining Balance Sheet - Tax Increment Financing Funds (TIFS)	116
Combining Statement of Revenues, Expenditures and Changes in Fund Balances - (TIFS)	117
Budgetary Comparison Schedule - Tax Increment Financing #1	118
Budgetary Comparison Schedule - Tax Increment Financing #2	119
Budgetary Comparison Schedule - Tax Increment Financing #3	120
Budgetary Comparison Schedule - Federal Grant Funds	121
Budgetary Comparison Schedule - State Grant Funds	122
Budgetary Comparison Schedule - Special Police Funds	123
Budgetary Comparison Schedule - Wireless 911 Fund	124
Budgetary Comparison Schedule - Franchise PEG Fund	125
Budgetary Comparison Schedule - Drainage Fund	126
Budgetary Comparison Schedule - Richardson Improvement Corporation	127
Budgetary Comparison Schedule - Economic Development	128
Budgetary Comparison Schedule - Golf Fund	129
Budgetary Comparison Schedule - Eisemann Center Endowment Fund	130
Internal Service Funds	
Combining Statement of Net Position	133
Combining Statement of Revenues, Expenses and Changes in Fund Net Position	134
Statement of Cash Flows	135

City of Richardson, Texas
Annual Comprehensive Financial Report
For the Year Ended September 30, 2024

Table of Contents

	PAGE
III. Statistical Section (Unaudited)	
Table	
1. Statement of Net Position by Component	139
2. Changes in Net Position	140
3. Fund Balances, Governmental Funds	143
4. Changes in Fund Balances, Governmental Funds	144
5. Assessed Value and Estimated Actual Value of Taxable Property	146
6. Direct and Overlapping Property Tax Rates	147
7. Principal Property Tax Payers	148
8. Property Tax Levies and Collections	149
9. Ratio of Outstanding Debt by Type	150
10. Ratio of General Bonded Debt Outstanding	152
11. Direct and Overlapping Governmental Activities Debt	153
12. Legal Debt Margin Information	154
13. Demographic and Economic Statistics	155
14. Principal Employers	156
15. Full-Time Equivalent City Government Employees by Function/Program	157
16. Operating Indicators by Function/Program	158
17. Capital Asset Statistics by Function/Program	159
18. Schedule of Pension Benefits Funding Progress	160

INTRODUCTORY SECTION

RICHARDSON®
TEXAS

THIS PAGE LEFT BLANK INTENTIONALLY

RICHARDSON®
TEXAS

City Council
September 30, 2024

Mayor
Bob Dubey

Mayor Pro Tem
Place 6
Arefin Shamsul

Place 1
Curtis Dorian
Place 2
Jennifer Justice
Place 3
Dan Barrios
Place 4
Joe Corcoran
Place 5
Ken Hutchenrider

City
Manager
Don Magner

February 27, 2025

Honorable Mayor and City Council,
Citizens of the City of Richardson, Texas:

The Annual Comprehensive Financial Report of the City of Richardson (the City), for the fiscal year ended September 30, 2024, is hereby submitted as mandated by both local ordinances and state statutes. These ordinances and statutes require that the City issue an annual report on its financial position and activity, and that an independent firm of certified public accountants audit this report.

Responsibility for both the accuracy of the data, and the completeness and fairness of the presentation, including all disclosures, rests with management. Management of the City is responsible for establishing and maintaining an internal control structure designed to ensure that the assets of the City are protected from loss, theft, or misuse and to ensure that adequate accounting data is compiled to allow for the preparation of financial statements in conformity with generally accepted accounting principles. The internal control structure is designed to provide reasonable, but not absolute, assurance that these objectives are met. The concept of reasonable assurance recognizes that: (1) the cost of a control should not exceed the benefits likely to be derived; and (2) the valuation of costs and benefits requires estimates and judgments by management. All disclosures necessary to enable the reader to gain an understanding of the City's financial activities have been included.

The City Council selected the firm of Crowe LLP, Certified Public Accountants to audit the financial statements. The independent auditor has issued an unmodified ("clean") opinion on the City's financial statements for the year ended September 30, 2024, and the auditor's report is located as the first page of the financial section of the Annual Comprehensive Financial Report.

Management provides a narrative introduction, overview, and analysis to accompany the basic financial statements in the form of Management's Discussion and Analysis (MD&A). This letter of transmittal is designed to complement the MD&A and should be read in conjunction with it. The City's MD&A can be found immediately following the independent auditors' report.

P.O. Box 830309
Richardson, TX
75083-0309
972-744-4100 Tel.
972-744-5803 Fax
www.cor.net

Profile of the Government

The City, located in North Central Texas, was originally incorporated in 1925, with the first Charter being adopted in 1956 and the latest revision made in November 2015. A Citizen Charter Commission has been appointed by the City Council to review the Charter and make recommended changes for a 2025 election. The City currently has a land area of 28.5 square miles and an estimated population of 122,678. The City is a home rule city and operates under the Council-Manager form of government. Richardson voters simultaneously elect six Council members and a Mayor to represent them every two years. All Council members and the Mayor are elected at large, with four Council members representing each of the City's four districts. Terms of office for all Council positions are for two consecutive years.

The City provides to its citizens a full range of services including police and fire protection, emergency ambulance service, water and sewer service, solid waste disposal, park and recreational activities, cultural events, and a library. In addition, the City provides planning for future land use, traffic control, building inspection, and community services and operates two eighteen-hole golf courses. The City also operates the Charles W. Eisemann Center for Performing Arts and Corporate Presentations, which is a multi-venue performing arts and presentation center. Certain parks and recreation and administrative services are performed by the Richardson Improvement Corporation, which functions as a department of the City of Richardson and therefore has been included as an integral part of the City's financial statements. Additional information on this legally separate entity can be found in the notes to the financial statements (see note 1.a.)

Activities of the general, debt service, water and sewer, solid waste, special revenue, and internal service funds are included in the annual appropriated budget. The City Council is authorized to transfer budgeted amounts within and among departments and ratifies, through the Budget Ordinance, any transfers and/or amendments made by the City Manager. The legal level of control for each budget is at the fund level, which is to say that total expenditures for each fund should not exceed total budgeted expenditures for that fund.

Purchase orders that exceed appropriated balances are not released until they have been further reviewed and approved by the City Manager or his representative. Departmental appropriations that have not been expended by the departments lapse at the end of the fiscal year. Funds that were budgeted and not used by the departments during the fiscal year are not available for their use unless appropriated in the budget of the ensuing fiscal year.

The City maintains an encumbrance accounting system as one technique of accomplishing budgetary control. Encumbrances outstanding at year-end are included within the relevant fund balance classifications based on the purposes to which the encumbrances relate and can be classified as assigned, committed, or restricted fund balances. Encumbrances do not constitute expenditures or liabilities. The commitments will be honored during the subsequent year. The City amends the budget at the end of each fiscal year to provide for additional expenditures or expenses and to provide reductions in other expenditures or expenses, or supplemental revenues to fund such amendments.

Richardson's Place in the Local Economy

The City of Richardson is one of several major employment centers in the Dallas-Fort Worth Metroplex ("DFW"). Richardson is a center of economic diversity, with high-quality businesses in a variety of technology and non-technology industries including the financial services, semiconductor, telecommunications, and healthcare sectors, reflecting the area's attractiveness for companies from a wide range of business sectors. Richardson has extensive resources in academia, a highly skilled labor pool, transportation assets, infrastructure support, lodging and meeting venues, and major corporate employers which will continue to prove beneficial in the recruitment of new businesses.

Richardson is conveniently located in DFW, with access to points in all directions via two major roadways and the Dallas Area Rapid Transit ("DART") rail system. Central Expressway (U.S. 75), one of the main northbound and southbound arteries of the region, runs through the heart of the community. LBJ Freeway (IH-635) is to the immediate south of the City and the President George Bush Turnpike spans the northern border, giving Richardson residents easy access to the Dallas-Fort Worth International Airport. Richardson residents and businesses also benefit from the DART Light Rail line which parallels Central Expressway and has four existing stations in the City: Spring Valley, Arapaho Center, Galatyn Park and CityLine/Bush. The DART Silver Line is currently under construction with revenue service expected to begin by Fiscal Year 2026. The Silver Line follows the Cotton Belt Regional Rail Corridor, which runs through the northwest portion of the City, running from Plano in the east, through Richardson, and connecting on to DFW Airport where it will connect to the TEXRail Line which runs to downtown Fort Worth. The Silver line will include two stations in Richardson, one at the University of Texas at Dallas and another at CityLine next to the existing Light Rail station and will also feature a hike and bike trail running the entire length of the line.

To take full advantage of these transportation assets for development and redevelopment purposes, the City has implemented three Tax Increment Financing (TIF) Districts. TIF District #1 was established in November 2006, encompassing 1,777 acres including both sides of the U.S. 75 corridor from Campbell Road south to Spring Valley Road, and then extending west from U.S. 75 along Spring Valley Road to Coit Road. The district includes an approximately 1,200-acre area east of U.S. 75 known as the Richardson Innovation Quarter which is more fully described below. TIF District #2, established in November 2011, is bounded by President George Bush Turnpike on the north, Wyndham Lane on the east, Renner Road on the south, and the DART Light Rail line on the west. TIF District #3, established in November 2011, is bounded by President George Bush Turnpike on the north, the DART Light Rail line on the east, Renner Road on the South and has its western boundary between Alma Road and U.S. 75. Dallas County participates financially in TIF District #1 and Collin County participates financially in TIF District #2 and TIF District #3.

TIF District #2 and TIF District #3 collectively include 241 acres that are better known as CityLine. The combined developments include corporate office buildings anchored by State Farm and Raytheon, over 2,500 apartment and town home units, hotels, a wellness office building and fitness

center anchored by Texas Health Family Care and Children's Health Specialty Center, 150,000 square feet of restaurants and retail space, DART Light Rail and Silver Line stations and two City parks with connectivity to regional trails and nature preserves. This unique lifestyle destination balances spaces to live, work and play while the compact layout offers easy access to all its amenities. CityLine is not fully built out, with additional acreage available for development.

TIF District #1 includes numerous developments as well as the City's CORE District and the Richardson Innovation Quarter. The CORE District encompasses the area starting just west of U.S. 75 near Belt Line Road and continuing east as Belt Line Road transitions to Main Street, ending east of Richardson's historic downtown. The CORE District includes five distinct destination areas that include Chinatown, Downtown, Heights, Interurban and Lockwood. Newly opened, Belt & Main is a mixed-use multi-family development in the Downtown district that adds 430 apartment and townhome units, a parking garage with public spaces, retail and commercial space. The CORE District is home to the City's Police Headquarters and Fire Station #1. The Richardson Innovation Quarter ("The IQ®") is a 1,200-acre urban hub with a rich heritage of innovation and entrepreneurship generally bounded by U.S. 75, Campbell Road, Plano Road and Apollo Road. With over 1,100 businesses and 20,000 workers, The IQ® is home to technology-related start-ups, manufacturers, nonprofit organizations, corporate research and development, restaurants, multi-family developments and more. The IQ® "Headquarters", or "IQHQ", is a 27,500-square-foot building in The IQ® that houses six UT Dallas research centers, the City's Economic Development Department and space for programming, networking and events focused on attracting entrepreneurial activity to the area.

Outside of the City's TIF Districts, Richardson's highlights include Texas Instruments' 1.1 million square foot semiconductor manufacturing facility on Renner Road that produces 300-mm analog wafer chips. A second, 300-mm wafer fab is in production and supports the future growth of semiconductors. Richardson is home to the University of Texas at Dallas, with more than 31,000 students enrolled in more than 140 academic programs including top-ranked programs in STEM, management, liberal arts and social sciences majors. The university's STEM programs are a major draw and labor source for the City's high-tech companies. The university continually upgrades its infrastructure through campus reinvestment, ensuring a state-of-the-art experience for students. Richardson is also home to the Methodist Richardson Medical Center ("MRMC"). This full-service medical center offers enhanced health care services to residents of Richardson and surrounding communities. MRMC includes two campuses, the primary campus on Renner Road at President George Bush Turnpike and a secondary campus on West Campbell Road near U.S. 75. Combined, the two facilities have nearly 400 beds and employ over 400 physicians.

Recent Developments

The local economic uncertainties resulting from persistent inflation, higher interest rates, and the evolving office market in the DFW area have had a negative impact on business and consumer spending, as well as the local real estate investment. These trends have led to a decrease in sales tax revenue for the City, concerns about long-term impacts on commercial property values and the revenues the City receives from property taxes. The City has adjusted our efforts regarding economic development as outlined with the developments over this past year.

Interurban Common: Construction of an approximately 2.5-acre linear urban park with plaza, seating, landscaping, and food truck space is underway along Interurban between Main Street and Jackson Street across from the Belt & Main development. The project is anticipated to be completed in 2025.

Sherman Lofts: The City Council approved zoning for Sherman Lofts, located within TIF #1 on Spring Valley Road, across the street from DART's Spring Valley Light Rail station. The proposed five-story apartment development will include 373 traditional apartment units, three live-work apartments, and a 932 square foot coworking space open to the public. Construction is expected to begin on the development, located at 111 West Spring Valley Road, in 2025.

The Caroline Eastside: Hunt Companies Inc. is developing a 384-unit apartment complex next to The Mallory Eastside adjacent to the Central Trail that runs along the DART Light Rail Red Line. The apartments will include a mix of one-, two-, and three-bedroom units and studios along with a coworking space, clubhouse, two-story gym, dog park, rooftop lounge, spa pool, lounge area, and game room. The project is expected to be completed and occupied in 2025.

Celestica: The high-tech manufacturing company located in the Shiloh Business Park area expanded its operations to produce groundbreaking, state-of-the-art equipment based on artificial intelligence learning systems for its U.S.-based customers, allowing for the production of highly complex equipment with applications across multiple industries. The process creates new manufacturing, supply chain, and engineering employment opportunities within the Richardson community.

First Then: This early-stage technology company specializing in the development of family-centered digital solutions used to treat pediatric neurodevelopmental disorders, was selected as the inaugural recipient of the City of Richardson's Research Award Match Program (RAMP) support. The program provides funds to research-focused, for-profit, privately owned small businesses that have received federal Small Business Innovation Research (SBIR) or Small Business Technology Transfer (STTR) Phase I or Phase II grants. It is intended to support startup companies that have a high potential for commercial viability. This recognition highlights FirstThen's role as an upcoming leader in the vibrant Richardson business community, and their initial location is located at HEXA Coworking on Greenville Avenue, just north of Campbell Road.

Promenade North: SHOP Development purchased the 177,000-square foot legacy retail development located along Coit Road, south of Arapaho Road in late 2023. Starting in 2024, SHOP Development commenced with the renovation of the 12-acre property, which included improvements to the interior and exterior of the buildings, as well as upgrades to landscaping, signs, lighting, and parking areas. Renovations to an 18,000-square foot building were completed in 2024, and three (3) new tenants have already occupied the space. These tenants include two (2) restaurant establishments, Civil Pour and Mr. Max, along with a retail sports apparel retailer, Hibbett Sports.

XL Pro Staffing: The staffing and safety consulting firm relocated their corporate headquarters from Farmers Branch to the City of Richardson's CORE District along the U.S. 75 Corridor.

Childress Engineering: The local firm is a provider of architectural design and engineering services, and they relocated from Collins Crossing at Collins Boulevard and Greenville Avenue to Lookout Park at Plano Road and Lookout Drive. The relocation includes a long-term lease and secures existing jobs with plans for the addition of new positions over next five (5) years.

Associa: The tech-driven community association and property management firm, is moving its corporate headquarters from Dallas to Richardson and expanding its footprint within the City. The relocation included the acquisition of a two-building office complex at the southwest corner of Lookout Drive and Plano Road, totaling more than 260,000 square feet.

UTD Open Lab at IQHQ: Under the leadership provided by AT&T and Verizon, a new research and development lab was established at The IQHQ facility as part of a nationwide collaboration to pursue research, testing, evaluation and development of the next generation of 5G Radio Access Network (RAN) products and services. The OpenLab is affiliated with The University of Texas at Dallas' Erik Jonsson School of Engineering and Computer Science. The lab is part of a recently announced Acceleration of Compatibility and Commercialization for Open RAN Deployments (ACCoRD) consortium, whose work is funded by a grant of over $42 million in federal funding from the National Telecommunications and Information Administration under the CHIPS and Science Act of 2022.

Startup Runway at IQHQ: The City and Startup Runway entered into a strategic partnership to enhance international economic ties and foster continued innovation within The IQ® business community and throughout the city. Their program is dedicated to empowering foreign companies as they navigate new markets, providing them with the resources, mentorship, and strategic connections needed to thrive in competitive environments.

Halff: The local infrastructure consulting firm expanded its largest firmwide office and will retain and grow its workforce, enhancing full-service engineering and related services in Richardson. Halff will be relocating from their existing office building at 1201 N. Bowser Road to the Galatyn Commons Office Park at 2380 Performance Drive, where they will be making a significant investment.

Tax Abatements and Economic Incentives

Many of the developments mentioned in the previous section were made possible by economic development agreements designed to promote development and redevelopment within the City, stimulate commercial activity, generate additional sales tax or enhance the property tax base and economic vitality of the City. More details on these programs are available in Note 16 of this document and at www.cor.net/transparency. At any time, the City has numerous active incentive agreements. The only material agreement under the City's incentive program is the tax abatement and related Chapter 380 agreement with Texas Instruments. This agreement resulted in the abatement of $1,718,404 in taxes and the reduction of water and sewer charges of $10,100,557 in Fiscal Year 2024. In Fiscal Year 2004, the year prior to construction of the Texas Instruments facility, the City received $75 in property taxes on the undeveloped land. Net of the abatement, the City received $5,559,481 in property taxes and $15,210,379 in water and sewer revenues in Fiscal Year 2024. Texas Instruments is the number one utility (water and sewer) consumer in the City. Additionally, Texas Instruments chose to increase its Richardson presence by the current expansion of their manufacturing facility. None of this investment would have been possible without economic incentives.

Long-term Financial Planning

The $44,410,048 unassigned fund balance in the General Fund is the equivalent of 90.86 days of expenditures and transfers on a budgetary basis. During the Fiscal Year 2022 budget adoption, the City Council formally increased the fund balance requirement for the General Fund to 90 days. The City continues to transfer fund balance in excess of 90 days for future capital needs and cash funded maintenance initiatives. In addition, the City utilizes fund balance in excess of minimum requirements to enhance the capital improvements program.

On an annual basis, the City studies a five-year plan for evaluating tax rates and utility rates as they relate to debt financing for capital needs and the operating costs of providing services to citizens. As part of these evaluations, the City now budgets a portion of property tax receipts for recurring transfers for street and alley rehabilitation, neighborhood park maintenance, economic development, facility maintenance and general vehicle and equipment replacement. Recurring transfers provided funding for community needs on a pay-as-you-go funding strategy.

Major Capital Initiatives

In November 2021, citizens approved a $190 million, five-year General Obligation bond program. The program includes $102 million for various street and alley improvements, $64 million for renovations of public buildings including the Library and City Hall, $8.5 million for sidewalks, $8 million for drainage improvements, and $7.5 million for various park improvements including the activation of two undeveloped properties.

Due to a fire at City Hall on August 22, 2022, in May 2023, citizens approved a $46 million bond program to rebuild Richardson City Hall on Arapaho Road. The first issuances for this project for design were sold in the Spring of 2024.

After the issuance of $67,530,000 in FY 2024, the City has $90,845,000 as authorized but unissued from the 2021 and 2023 General Obligation Bond authorizations. We anticipate issuing $63,670,000 in FY 2025 and the remainder in FY 2026 to close out the last two bond elections.

The FY 2024-2025 budget builds on core efforts of city services through key focus areas that include recruitment and retention, public safety, infrastructure, and economic development. Funding for Core District Funding, Placemaking Initiatives, International Business development and IQHQ Enhancements were included in the budget, as well as the continued funding for the Home Improvement Incentive Program Tax Rebates.

The United States Congress passed the American Rescue Plan Act ("ARP") in early 2021. The City received $18.29 million from this program. Approximately $8.5 million of these funds are being used as revenue replacement and are being used to fund the reconstruction of Custer Road between Campbell Road and Arapaho Road. The remainder of the ARP funds are being used to support enhancements to the City's water system, including construction of a new 15-million-gallon per day pump station, a 5-million- gallon ground storage tank and related waterlines and infrastructure. This project will improve the water system's capacity and overall reliability and funds have been expended by the funding deadlines.

Awards and Acknowledgments

The Government Finance Officers Association of the United States and Canada (GFOA) awarded a Certificate of Achievement for Excellence in Financial Reporting to the City for its Annual Comprehensive Financial Report for the fiscal year ended September 30, 2023. This was the forty-eighth year that the City received this prestigious award. To be awarded a Certificate of Achievement, a municipality must publish an easily readable and efficiently organized Annual Comprehensive Financial Report. This report satisfied both generally accepted accounting principles and applicable legal requirements.

A Certificate of Achievement is valid for a period of one year only. We also believe our current Annual Comprehensive Financial Report continues to meet the Certificate of Achievement Program's requirements, and we are submitting it to GFOA to determine its eligibility for another certificate.

CITY OF RICHARDSON, TEXAS

Transmittal Letter

September 30, 2024

The preparation of the Annual Comprehensive Financial Report was made possible by the dedicated service of the accounting division and finance department staff. Each member of the department has our sincere appreciation for the long hours and contributions made in the preparation of this report. Special thanks are extended to all members of the City Council for their leadership and support of sound fiscal management.

Sincerely,

Don Magner
City Manager

Kent Pfeil, CGFO
Chief Operating Officer

Anita Cothran, CGFO
Director of Finance

Herman Chavez, CPA
Controller

CITY OF RICHARDSON, TEXAS
PRINCIPAL OFFICIALS
SEPTEMBER 30, 2024

CITY COUNCIL

BOB DUBEY, MAYOR
AREFIN SHAMSUL, MAYOR PRO TEM
DAN BARRIOS
JOE CORCORAN
CURTIS DORIAN
KEN HUTCHENRIDER
JENNIFER JUSTICE

CITY MANAGER

DON MAGNER

CHIEF OPERATING OFFICER

KENT PFEIL

ASSISTANT CITY MANAGERS

MICHAELA DOLLAR
DANNETTE GARCIA
CHARLES GOFF

DIRECTOR OF FINANCE

ANITA COTHRAN

CONTROLLER

HERMAN CHAVEZ

Government Finance Officers Association

Certificate of Achievement for Excellence in Financial Reporting

Presented to

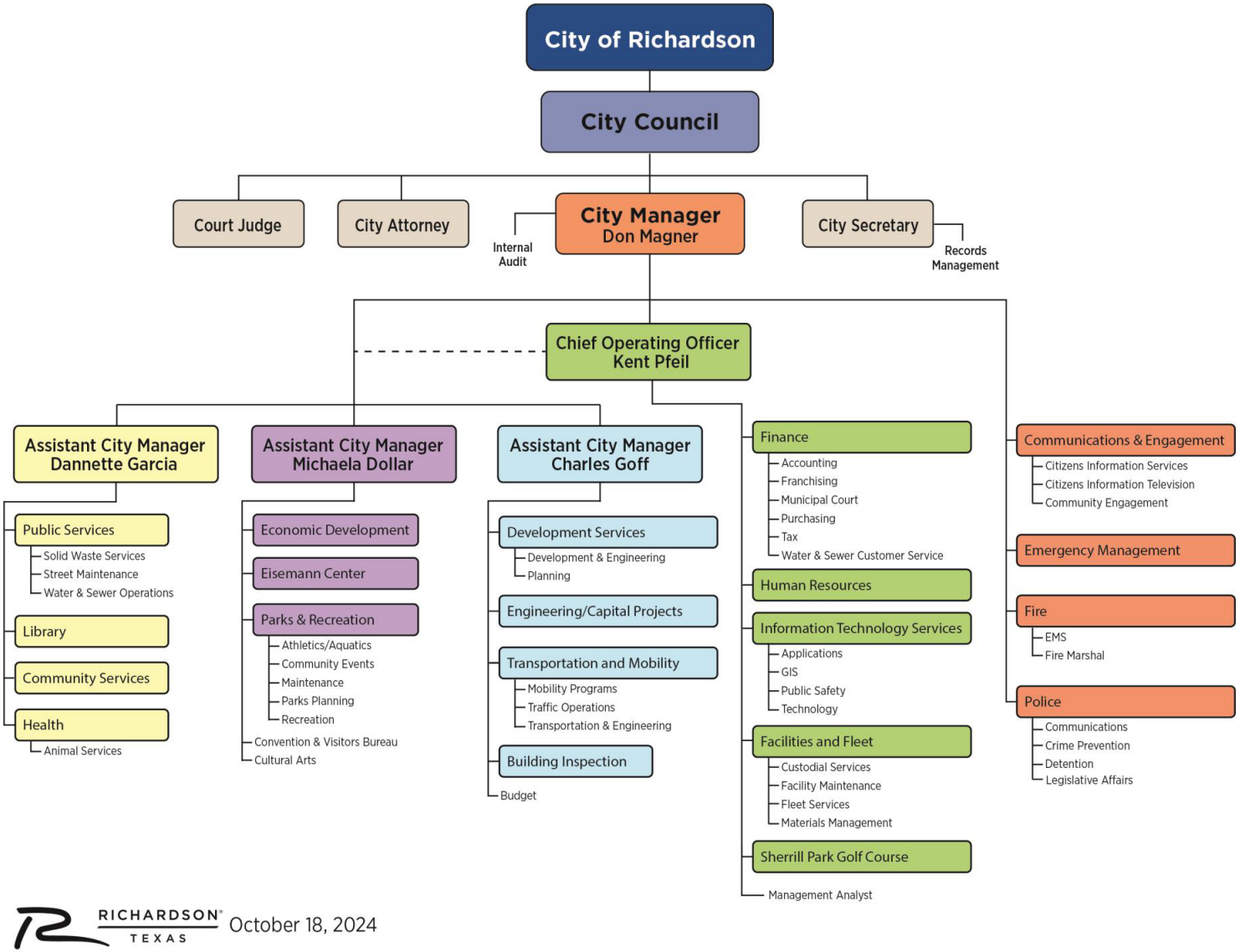
City of Richardson
Texas

For its Annual Comprehensive
Financial Report
For the Fiscal Year Ended

September 30, 2023

Christopher P. Morrill

Executive Director/CEO



RICHARDSON TEXAS October 18, 2024

FINANCIAL SECTION

RICHARDSON®
TEXAS

THIS PAGE LEFT BLANK INTENTIONALLY

AUDITOR'S REPORT

THIS PAGE LEFT BLANK INTENTIONALLY

Crowe LLP
Independent Member Crowe Global

INDEPENDENT AUDITOR'S REPORT

To the Honorable Mayor and Members of City Council
Richardson, Texas

Report on the Audit of the Financial Statements

Opinions

We have audited the financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City of Richardson (the "City"), as of and for the year ended September 30, 2024, and the related notes to the financial statements, which collectively comprise the City's basic financial statements as listed in the table of contents.

In our opinion, the accompanying financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of the City, as of September 30, 2024, and the respective changes in financial position and, where applicable, cash flows thereof for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Basis for Opinions

We conducted our audit in accordance with auditing standards generally accepted in the United States of America (GAAS) and the standards applicable to financial audits contained in *Government Auditing Standards*, issued by the Comptroller General of the United States *(Government Auditing Standards)*. Our responsibilities under those standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are required to be independent of the City, and to meet our other ethical responsibilities, in accordance with the relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.

Responsibilities of Management for the Financial Statements

Management is responsible for the preparation and fair presentation of the financial statements in accordance with accounting principles generally accepted in the United States of America (GAAS), and for the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is required to evaluate whether there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for twelve months beyond the financial statement date, including any currently known information that may raise substantial doubt shortly thereafter.

(Continued)

Auditor's Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinions. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with GAAS and *Government Auditing Standards* will always detect a material misstatement when it exists. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Misstatements are considered material if there is a substantial likelihood that, individually or in the aggregate, they would influence the judgment made by a reasonable user based on the financial statements.

In performing an audit in accordance with GAAS and *Government Auditing Standards*, we

- Exercise professional judgment and maintain professional skepticism throughout the audit.
- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, and design and perform audit procedures responsive to those risks. Such procedures include examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the City's internal control. Accordingly, no such opinion is expressed.
- Evaluate the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluate the overall presentation of the financial statements.
- Conclude whether, in our judgment, there are conditions or events, considered in the aggregate, that raise substantial doubt about the City's ability to continue as a going concern for a reasonable period of time.

We are required to communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, significant audit findings, and certain internal control-related matters that we identified during the audit.

Required Supplementary Information

Accounting principles generally accepted in the United States of America require that the *Management's Discussion and Analysis, Budgetary Comparison Schedule – General Fund, Budgetary Comparison Schedule – Hotel-Motel Fund, Schedule of Changes in Total OPEB Liability and Related Ratios, Schedule of Pension Contributions,* and *Schedule of Changes in Net Pension Liability and Related Ratios* on pages 21 – 31, 91, 92, 93, 94, and 95, respectively, be presented to supplement the basic financial statements. Such information is the responsibility of management and, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. We have applied certain limited procedures to the required supplementary information in accordance with auditing standards generally accepted in the United States of America, which consisted of inquiries of management about the methods of preparing the information and comparing the information for consistency with management's responses to our inquiries, the basic financial statements, and other knowledge we obtained during our audit of the basic financial statements. We do not express an opinion or provide any assurance on the information because the limited procedures do not provide us with sufficient evidence to express an opinion or provide any assurance.

(Continued)

Supplementary Information

Our audit was conducted for the purpose of forming opinions on the financial statements that collectively comprise the City's basic financial statements. The individual and combining fund financial statements and schedules are presented for purposes of additional analysis and are not a required part of the basic financial statements. Such information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the basic financial statements. The information has been subjected to the auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the individual and combining fund financial statements and schedules are fairly stated, in all material respects, in relation to the basic financial statements as a whole.

Other Information

Management is responsible for the other information included in the annual report. The other information comprises the introductory section and statistical section but does not include the basic financial statements and our auditor's report thereon. Our opinions on the basic financial statements do not cover the other information, and we do not express an opinion or any form of assurance thereon.

In connection with our audit of the basic financial statements, our responsibility is to read the other information and consider whether a material inconsistency exists between the other information and the basic financial statements, or the other information otherwise appears to be materially misstated. If, based on the work performed, we conclude that an uncorrected material misstatement of the other information exists, we are required to describe it in our report.

Other Reporting Required by *Government Auditing Standards*

In accordance with *Government Auditing Standards*, we have also issued our report dated February 27, 2025 on our consideration of the City's internal control over financial reporting and on our tests of its compliance with certain provisions of laws, regulations, contracts, and grant agreements and other matters. The purpose of that report is solely to describe the scope of our testing of internal control over financial reporting and compliance and the results of that testing, and not to provide an opinion on the effectiveness of the City's internal control over financial reporting or on compliance. That report is an integral part of an audit performed in accordance with *Government Auditing Standards* in considering the City's internal control over financial reporting and compliance.

Crowe LLP

Dallas, Texas
February 27, 2025

THIS PAGE LEFT BLANK INTENTIONALLY

MANAGEMENT'S DISCUSSION AND ANALYSIS

THIS PAGE LEFT BLANK INTENTIONALLY

As management of the City of Richardson (the City), we offer this narrative overview and analysis of the financial activities and financial position of the City for the fiscal year ended September 30, 2024. In the broadest context, the financial well being of a government lies in the underlying wealth and willingness of its citizens and property owners to pay adequate taxes convinced with the vision of the government's elected and appointed leadership to spend those taxes strategically so the City's tax base, service levels, City assets and the City's desirability will be maintained, not just for the current year, but well into the future.

Financial reporting is limited in its ability to provide this "big picture", but rather focuses on financial position and changes in said financial position. In other words, are revenues and/or expenses/expenditures higher or lower than the previous year? Have net position (containing both short and long-term assets and liabilities) or fund balances (the current "spendable" assets less current liabilities) of the government been maintained? We encourage readers to consider the information presented here in conjunction with additional information that we have furnished in our letter of transmittal (starting on page 1 of this report) and the statistical section, as well as information on the Annual Budget and other community information found on the City's website at www.cor.net.

It should be noted that the Independent Auditor's Report describes the auditor's association with the various sections of this report and that all the additional information from the website and other City sources are unaudited and have not been updated for events that may have occurred subsequent to the issuance of the respective report.

FINANCIAL HIGHLIGHTS

- The assets and deferred outflows of resources of the City exceeded its liabilities and deferred inflows at September 30, 2024, by $522,069,759 (net position). The majority of the City's net position is invested in capital assets ($307,027,085) or restricted for specific purposes ($150,992,649). The remaining ($64,050,025) is unrestricted and may be used to meet the City's ongoing obligations to citizens and creditors in accordance with the City's fiscal policies.
- The City’s total net position increased by $78,605,372. The primary reasons are an increase in water & sewer sales, investment earning, and property tax collections. Additional details are provided in the "Financial Analysis of the City as a Whole."
- At September 30, 2024, the City’s governmental funds reported combined ending fund balances of $322,579,994. The unassigned fund balance of $44,410,048 in the General FundF represents 25.4% of total General Fund expenditures and transfers out.
- Principal balances of the City’s total long-term debt increased by 8.2%, having a net increase of about $41,442,000 during the current fiscal year (see Table 4). Additional information on the City’s long–term debt can be found in Notes 9-13 of the financial statements.
- The deferred outflows of the City decreased by about $23,379,000 or 37.59% during the fiscal year. This change is due to the change in the deferred outflows related to the pension liability.
- The deferred inflows of the City increased by about $1,644,000 or 4.5% during the fiscal year. This change is due to the net changes in the deferred inflows related to the pension liability.
- The total ad valorem rate for the City was $0.56095 for fiscal year 2024. This tax rate supports debt service, operations and maintenance, and bond programs to construct infrastructure and city facilities.

OVERVIEW OF THE FINANCIAL STATEMENTS

This annual report consists of four parts; management's discussion and analysis (this section), basic financial statements, required supplementary information and combining statements for nonmajor governmental funds and internal service funds.

The basic financial statements include two kinds of statements that present different views of the City:

- The first two statements are Government-Wide Financial Statements that provide information about both the short term and long-term financial status of the City as a whole.
- The remaining statements are Fund Financial Statements that focus on individual parts of the City's government, reporting the City's operations in more detail than the Government-Wide statements.
  - ◊ The Governmental Fund Statements take a short-term view and demonstrate how general government services like public safety were financed during the course of the fiscal year.
  - ◊ The Proprietary Fund Statements offer both short-and-long term financial information about the activities of the government that operate like businesses, such as the water and sewer system.

The financial statements also include notes that explain information in the financial statements and provide more detailed data. The statements are followed by a section of required supplementary information that further explains and supports the information in the financial statements. In addition to these required elements, we have included a section with combining statements that provide details about our nonmajor governmental funds and internal service funds, each of which are added together and presented in single columns in the basic financial statements.

Government-Wide Financial Statements. The government-wide financial statements include the Statement of Net Position and the Statement of Activities. These statements are designed to provide readers with a broad overview of the City's finances in a manner similar to a private-sector business. Both are prepared using the economic resources focus and the accrual basis of accounting, meaning that all the current year's revenues and expenses are included regardless of when cash is received or paid.

The Statement of Net Position presents information on all of the City's assets and liabilities, including capital assets and long-term obligations. The difference between assets plus deferred outflows of resources and liabilities plus deferred inflows of resources is reported as net position. Over time, the increases or decreases in net position may serve as a useful indicator of whether the financial position of the City is improving or deteriorating. Other indicators of the City's financial position should be taken into consideration, such as the change in the City's property tax base and condition of the City's infrastructure (i.e., roads, drainage systems, water/sewer lines, etc.), in order to more accurately assess the overall financial condition of the City.

The Statement of Activities presents information showing how the City's net position changed during the most recent fiscal year. It focuses on both the gross and net costs of the government's various activities and thus summarizes the cost of providing specific government services. This statement includes all current year revenues and expenses.

The Statement of Net Position and the Statement of Activities divide the City's activities into two types:

- *Governmental Activities.* Most of the City's basic services are reported here, including general government, police and fire protection, emergency ambulance service, planning for future land use, traffic control, building inspection, public health, neighborhood integrity, park and recreational activities, cultural events, and library. Property taxes, sales taxes, and franchise taxes provide the majority of the financing for these activities.
- *Business-Type Activities.* Activities for which the City charges customers a fee to pay most or all of the costs of a service it provides are reported here. The City's business-type activities include water distribution and wastewater collection and solid waste collection and disposal.

Fund Financial Statements. The City, like other state and local governments, uses fund accounting to ensure and demonstrate compliance with finance-related legal requirements. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. These statements focus on the most significant funds and may be used to find more detailed information about the City's most significant activities. All of the funds of the City can be divided into two categories: governmental funds and proprietary funds.

OVERVIEW OF THE FINANCIAL STATEMENTS

- *Governmental Funds.* Governmental funds are used to account for the majority of the City's activities, which are essentially the same functions reported as governmental activities in the government-wide statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

  The focus of the governmental funds financial statements is narrower than that of the government-wide financial statements. Therefore, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the government's near-term financing decisions. Both the governmental funds Balance Sheet and the governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances provide a reconciliation to facilitate this comparison. These reconciliation's explain the differences between the government's activities as reported in the government-wide statements and the information presented in the governmental funds financial statements.

  The City reports 22 individual governmental funds. Information is presented separately in the governmental funds Balance Sheet and in the governmental funds Statement of Revenues, Expenditures and Changes in Fund Balances for the General Fund, the Debt Service Fund, the Capital Fund, and the Federal Grant Fund, all of which are considered to be major funds. Data for the other governmental funds are combined into a single, aggregated presentation. Individual fund data for each of the nonmajor governmental funds is provided in the form of combining statements elsewhere in this report.

- *Proprietary Funds.* When the City charges customers for services it provides, the activities are generally reported in proprietary funds. The City maintains two different types of proprietary funds: enterprise funds and internal service funds.

  Enterprise funds are used to report the same functions presented as business-type activities in the government-wide financial statements. The City uses enterprise funds to account for its water and sewer operations, solid waste collection and disposal services. These services are primarily provided to outside, or nongovernmental, customers.

  Internal service funds accumulate and allocate costs internally among the City's various functions. The City uses internal service funds to account for its warehouse, mail and records management operations, for its employee health insurance program and for replacement of legacy IT systems. Because these services predominantly benefit governmental-type functions rather than business-type functions, they have been included within governmental activities in the government-wide financial statements.

  Proprietary fund financial statements provide the same type of information as the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the water and sewer operations and solid waste collection and disposal. Both internal service funds are combined into a single, aggregated presentation in the proprietary fund financial statements. Individual fund data for the internal service funds is provided in the form of combining statements elsewhere in this report.

Notes to the Financial Statements. The notes provide additional information that is essential to gain a full understanding of the data provided in the government-wide and fund financial statements.

Other Information. In addition to the basic financial statements and accompanying notes, the City adopts an annual appropriated budget for its General Fund and Hotel/Motel Tax Fund. A budgetary comparison schedule has been provided for each of these major funds to demonstrate compliance with this budget. This report also presents certain required supplementary information concerning the City's progress in funding its obligation to provide pension and healthcare benefits to its employees and retirees. The combining statements referred to earlier in connection with nonmajor governmental funds and internal service funds are presented immediately following the required supplementary information on pensions and healthcare, along with related budgetary comparison schedules for the Debt Service Fund and the nonmajor governmental funds.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Net Position. Total assets at September 30, 2024 were $1,269.8M, deferred outflows of resources of $39.0M, total liabilities of $748.5M and deferred inflows of resources were approximately $38.2M resulting in a net position balance of $522.1M a 17.7% increase over the previous year (see Table 1).

The largest portion of net position reflects its investment in capital assets (land and improvements, public art, buildings, infrastructure, vehicles, machinery, equipment, and right to use assets), less any related outstanding debt/liability used to acquire those assets, while taking into account unspent bond proceeds. The City uses these assets to provide services to its citizens; consequently, these assets are not available for future spending. Although the City reports its capital assets net of related debt, the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

An additional portion of net position represents resources that are subject to external restrictions on how they may be used. The City's unrestricted net position of $64.1M (12.2%) reflects general resources that may be used for any lawful purpose. The government's overall net position increased approximately $78.6M over the prior fiscal year. The reasons for the overall increase is discussed in the following sections for governmental activities and business-type activities.

Table 1
City of Richardson
Net Position
(In thousands)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2024	2023	2024	2023	2024	2023	2023-2024
Current and other assets	$ 393,188	$ 346,554	$ 113,704	$ 120,564	$ 506,892	$ 467,118	8.5 %
Capital assets	609,377	561,481	153,528	130,728	762,905	692,209	10.2 %
Total assets	1,002,565	908,035	267,232	251,292	1,269,797	1,159,327	9.5 %
Total deferred outflows of resources	32,611	52,553	6,374	9,811	38,985	62,364	(37.5)%
Other liabilities	43,684	43,333	25,998	33,209	69,682	76,542	(9.0)%
Long term liabilities	562,965	555,105	115,875	110,032	678,840	665,137	2.1 %
Total liabilities	606,649	598,438	141,873	143,241	748,522	741,679	0.9 %
Total deferred inflows of resources	33,848	32,166	4,342	4,380	38,190	36,546	4.5 %
Net Position:							
Net investment in capital assets	246,251	258,618	60,776	51,381	307,027	309,999	(1.0)%
Restricted	110,896	61,655	40,097	27,726	150,993	89,381	68.9 %
Unrestricted	37,532	9,711	26,518	34,374	64,050	44,085	45.3 %
Total net position	$ 394,679	$ 329,984	$ 127,391	$ 113,481	$ 522,070	$ 443,465	17.7 %

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Changes in net position. The City's total revenues increased by 6.9% to approximately $422.2M (see Table 2). The State of Texas only provides limited support to municipalities, so the majority of the City's revenues are generated through local taxes and fees. Approximately 48.8% of the City's revenue comes from local property and sales tax receipts while fees charged for services makes up 38.9% of revenue collected (see Figure 1).

The total cost of all programs and services increased 7.5% to $343.6M (see Table 2). The City's functional expenses cover a range of services with over a third (34.3%) attributed to operations of the City's public utilities and 22.0% attributed to public safety (see Figure 2).

Figure 1 - Sources of Revenue for FY 2024

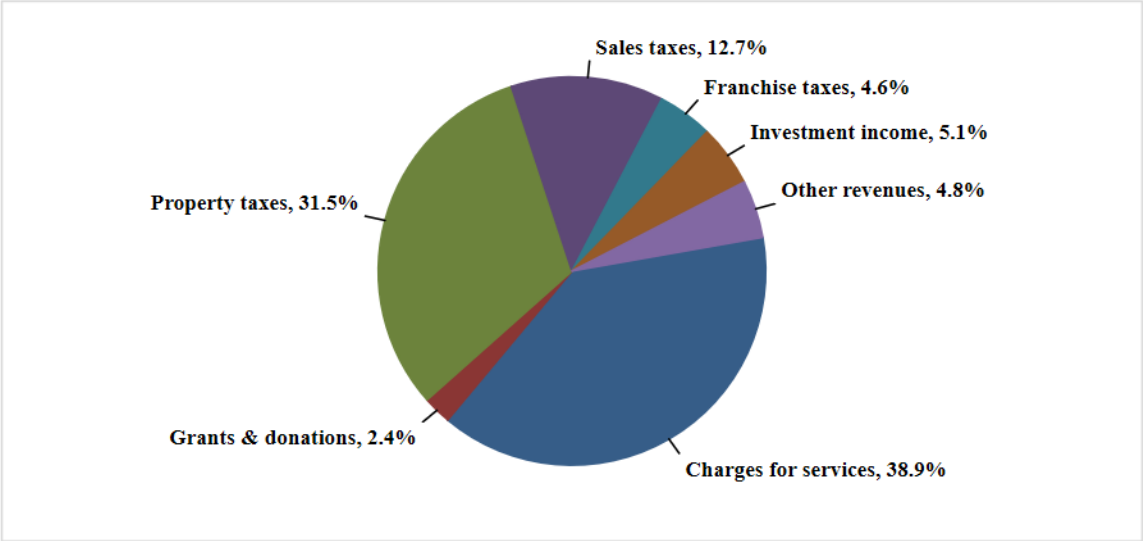
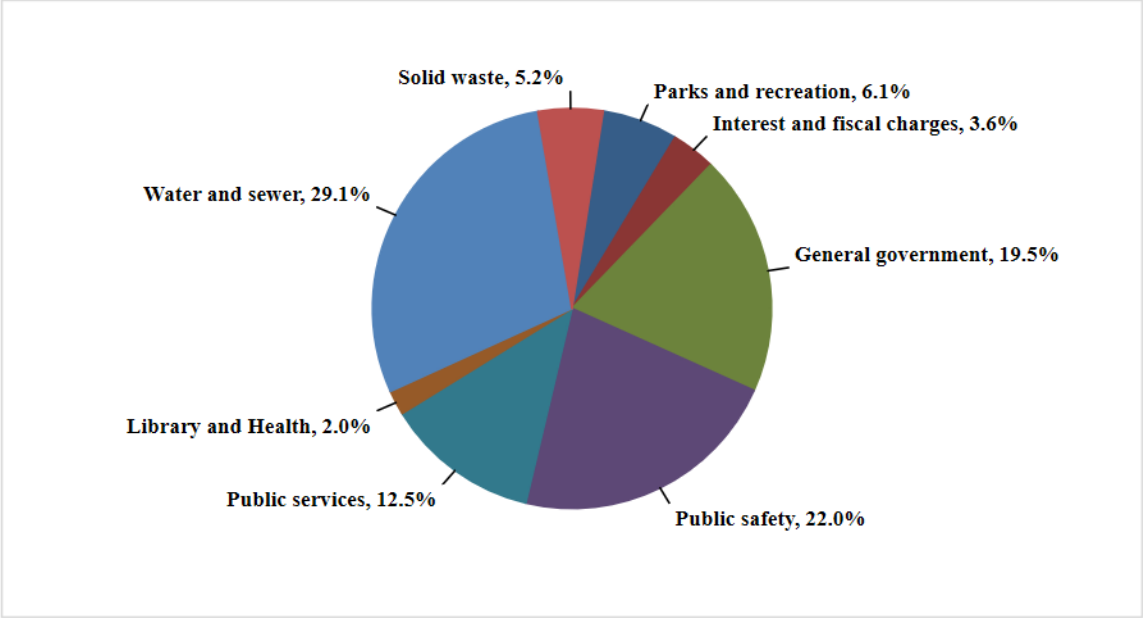


Figure 2 - Functional Expenses for FY 2024



FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Governmental Activities. Net position increased approximately $64.7M. Key revenue and expense transactions are as follows:

- Major revenue increases over the previous year were property tax revenue of approximately $7.5M and investment earnings of $6.4M, due to a year-over-year increase in the assessed value of taxable property from $19.8B to $21.6B and steady increases in our return on investments.
- However, the City did experience a $4.3M decrease in sales tax or 7.5%. Analsis shows its was related to office rentals/vacancies and not retail driven. The City is expecting stability during fiscal year 2025 and it not becoming a trend.
- General government expenses increased approximately $11.3M, primarily due to increases in compensation and benefits.

Business-Type Activities. Business type activities increased net position by approximately $13.4M.

Key elements to the change in net position are as follows:

- Water sales were $1.3M greater than the prior year. In FY2024, similar to FY2003, the area continued to see drought conditions during the summer months, leading to increased residential usage.
- Total operating revenues in the Water and Sewer Fund of $108.7M are $3.6M greater than prior year's actual, with Water Sales having the largest increase from the prior year as described above. Total operating expenses of about $97.7M ended the year $4.1M greater than prior year's actual, with personal services and purchase of water & sewer treatment showing the largest increases from the prior year.
- Total operating revenues in the the Solid Waste Fund finished the year approximately $1.2M greater than the prior year's actual. Total expenses ended the year $.6M greater than the prior year's actual, with personal services showing the largest increase.

FINANCIAL ANALYSIS OF THE CITY AS A WHOLE

Table 2
City of Richardson
Changes in Net Position
(In thousands)

	Governmental Activities		Business-type Activities		Total		Total Percentage Change
	2024	2023	2024	2023	2024	2023	2023-2024
Revenues:							
Program revenues:							
Charges for services	$ 36,911	$ 24,821	$ 127,177	$ 121,672	$ 164,088	$ 146,493	12.0 %
Operating grants and contributions	8,363	16,049	-	-	8,363	16,049	(47.9)%
Capital grants and contributions	1,624	112	-	627	1,624	739	119.8 %
General revenues:							
Property taxes	132,912	125,456	-	-	132,912	125,456	5.9 %
Sales taxes	53,763	58,105	-	-	53,763	58,105	(7.5)%
Franchise taxes	19,462	19,287	-	-	19,462	19,287	0.9 %
Mixed beverage tax	811	788	-	-	811	788	2.9 %
Hotel/motel taxes	5,089	4,915	-	-	5,089	4,915	3.5 %
Insurance and other recoveries	14,222	7,784	-	-	14,222	7,784	82.7 %
Unrestricted interest earnings	17,473	12,484	4,247	2,804	21,720	15,288	42.1 %
Other	70	-	65	-	135	-	- %
Total revenues	290,700	269,801	131,489	125,103	422,189	394,904	6.9 %
Expenses:							
General government	66,931	55,626	-	-	66,931	55,626	20.3 %
Public safety	75,592	73,276	-	-	75,592	73,276	3.2 %
Public services	42,872	38,986	-	-	42,872	38,986	10.0 %
Library	4,455	4,649	-	-	4,455	4,649	(4.2)%
Parks and recreation	21,123	20,398	-	-	21,123	20,398	3.6 %
Public health	2,415	2,392	-	-	2,415	2,392	1.0 %
Interest and fiscal charges	12,047	11,405	-	-	12,047	11,405	5.6 %
Water and sewer	-	-	100,168	95,681	100,168	95,681	4.7 %
Solid waste	-	-	17,981	17,283	17,981	17,283	4.0 %
Total expenses	225,435	206,732	118,149	112,964	343,584	319,696	7.5 %
Increase in net position before transfers, contributions and gains	65,265	63,069	13,340	12,139	78,605	75,208	4.5 %
Contributions to permanent fund principal	-	2	-	-	-	2	(100.0)%
Gain on sale of assets	69	(525)	65	107	134	(418)	(132.1)%
Increase in net position	65,334	62,546	13,405	12,246	78,739	74,792	5.3 %
Net position - beginning	329,982	267,436	113,482	101,236	443,464	368,672	20.3 %
Net position - ending	$ 395,316	$ 329,982	$ 126,887	$ 113,482	$ 522,203	$ 443,464	17.8 %

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

Governmental Funds. The focus of the City's governmental funds is to provide information on near term inflows, outflows and balances of spendable resources. Such information is useful in assessing the City's financing requirements. In particular, unassigned fund balance may serve as a useful measure of the City's net resources available for spending at the end of the fiscal year.

As of the end of the current fiscal year, the City's governmental funds reported combined fund balances of approximately $322.6M. Approximately 13.8%, or $44.4M, constitutes unassigned fund balance, which is reported in the General Fund. The remainder of fund balance, $278.2M or 86.2% is not available for general spending.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

The General Fund is the chief operating fund of the City. As a measure of the General Fund's liquidity, it may be useful to compare both the unassigned fund balance and total fund balance to total fund expenditures and transfers out. Unassigned fund balance represents approximately 25.3% of total General Fund expenditures and transfers out, while total fund balance represents 26.4% of total General Fund expenditures and transfers out.

The General Fund's fund balance had an increase of approximately $1.8M. Overall, revenues in the General Fund increased by about $683K, or less than 1%. Although property taxes showed $3.4M (5%) increase, sales tax had an approximately $4.3M (7.5%) decrease. Total expenditures increased by approximately $13.0M or 9.1%. The City continued its emphasis on Public Safety initiatives with increased spending over the prior year of about $8.4M out of the $13.0M total increase.

The Debt Service Fund has a fund balance of approximately $3.6M, all of which is restricted for the payment of debt. The City's financial policy is to maintain an ending fund balance each year of 30 days of expenditures in the Debt Service Fund.

The fund balance in the Capital Fund ended the year with approximately $227.2M. Restricted fund balance of $142.3M is for future capital equipment purchases and construction projects. The fund balance increased $38.0M due to the timing of acquisition/construction of capital assets, the issuance of debt, and transfers $18.7M including from the General Fund ($16.9M), Hotel/Motel Fund ($1.5M) and Other Governmental Funds ($.3M) for budgeted cash-financed capital projects and additional community capital needs or future special maintenance initiatives.

On May 28, 2024, the City was impacted by a significant windstorm. The storm lead to the area becoming part of a federal disaster area. Although no City owned facilities had signficant damage, the City incurred costs in the Capital Fund of approximately $3.8M of emergency debis removal and other clean up costs. Clean up efforts were completed by the end of July.

The Hotel/Motel Fund has been consistent year to year. The Fund's ending fund balance of approximately $5.5M has been assigned by City Council to be used for the support of its performing arts center and related capital outlay needs. The primary funding source of this fund is taxes collected for lodging, which increased by approximately $173K to $5.1M.

The Other Governmental Funds had a fund balance increase of approximately $6.2M. The TIF Fund represents a $3.5M increase, Drainage Fund a $1.2M increase, and Economic Development Fund a $1.6M increase. These funds are the largest contributors of the non-major funds.

Proprietary Funds: The City's proprietary funds provide the same type of information found in the government-wide financial statements, but in more detail. Factors concerning the finances of the proprietary funds have already been addressed in the discussion of the City's business-type activities.

Unrestricted net position in the Water and Sewer Fund and the Solid Waste Fund at the end of the year amounted to $26M and $(1.7)M respectively. A negative unrestricted net position in the Solid Waste Fund is primarily due to the cost of recording the full value of post-employment benefits that will be funded in future years. The total net position increase of approximately $12.9M in the Water and Sewer Fund is primarily related to strong water sales made possible by the amounts and timing of rainfall. The net position increase in the Solid Waste Fund of $1.1M is the result of an increase of solid waste fees related to a slight increase in commercial rates as well as the ability to keep expenses relatively flat year over year.

General Fund Budgetary Highlights: General Government revenues finished the year approximately $.6M or less than 1.0% below the year-end estimate. Below are the General Government revenue highlights:

- Property Taxes were consistent to the final budgets, only a $.39M variance of the final budget.
- Sales and other business tax revenue finished the year $.65M over the year-end estimate of $54.1M on a budgetary basis. However, during the year the budget was decreased by approximately $3.6M. The City expects the decrease to be isolated to FY2024 and is not anticipating the decrease in sales and other business tax to become a trend.

FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

General Government expenditures, including amounts encumbered prior to year-end but excluding transfers out, finished the year $2.1M below year-end estimates. The overall variance in General Government expenditures was due to the following:

- The largest savings came in public safety at $1.1M, followed by $.84M in public services and $0.12M in parks and recreation. The majority of these savings can be attributed to staffing challenges with various positions open throughout the fiscal year.

CAPITAL, INTANGIBLE RIGHT-TO-USE & SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) ASSETS AND DEBT ADMINISTRATION

Capital, Intangible right-to-use and SBITA Assets: The City's investment in capital assets (net of depreciation when applicable) for its governmental and business-type activities as of September 30, 2024, is approximately $762.9M, as shown in Table 3. This investment in capital assets includes land, public art, buildings, improvements, vehicles, machinery and equipment, infrastructure, intangible right-to-use, SBITA and construction in progress. The total increase in the City's investment in capital assets for the current fiscal year was approximately $70.7M (9.1%) .

Major capital asset events during the current fiscal year included the following:

- Equipment and vehicle assets acquired totaled $4.7M and completed $7.1M in improvements other than buildings. The improvements made include about $6.5M to improvements made at the Eisemann Performing Arts Center and parking facility.
- Right to use assets (leases and SBITA) of $2.9M were added this year, the largest being $1.4M with Microsoft for software needs and $.5M for golf carts.
- The City's Construction in Progress as of year end was over $138M. Ongoing projects include $7.7M at the Golf Course ($9M estimated total), $7.5M for Citywide Radio System ($17M estimated total), and $6.1M for the Library ($46.7M estimated total).
- The Water and Sewer Fund acquired $3.6M in vehicles and equipment. The fund also completed over $26M of Construction in Progress, leaving an ending Construction in Progress of over $53.7M. On going projects include $27.2M for the North Side Pump Station (Water and Sewer's total estimated portion is $35.3M).

Table 3
City of Richardson
Capital Assets, net of Accumulated Depreciation/Amortization
(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
Land	$ 95,143	$ 93,645	$ 424	$ 424	$ 95,567	$ 94,069
Public Art	4,237	4,237	-	-	4,237	4,237
Buildings	124,314	128,850	3,160	3,285	127,474	132,135
Improvements other than buildings	49,240	45,483	1,217	1,334	50,457	46,817
Infrastructure	171,495	182,105	85,894	90,604	257,389	272,709
Vehicles, machinery and equipment	14,611	15,989	8,843	6,976	23,454	22,965
Intangible right-to-use assets	6,129	9,287	58	148	6,187	9,435
SBITA	5,914	5,752	171	-	6,085	5,752
Construction in progress	138,294	76,133	53,761	27,957	192,055	104,090
Total capital assets, net	$ 609,377	$ 561,481	$ 153,528	$ 130,728	$ 762,905	$ 692,209

Additional information on the City's capital assets can be found in Note 6 to the financial statements.

CAPITAL, INTANGIBLE RIGHT-TO-USE & SUBSCRIPTION-BASED INFORMATION TECHNOLOGY ARRANGEMENT (SBITA) ASSETS AND DEBT ADMINISTRATION

Long-Term Debt: At the end of the current fiscal year, the City of Richardson had total debt outstanding of approximately $549.1M as shown in Table 4. Of this amount, approximately $234.1M represents tax-supported bonds, approximately $179.6M represents self-supported bonds and $35.0M represents discounts/premiums. The other obligations of $100.5M in the governmental activities relates to direct financed purchases (vehicle, golf carts, and EMS equipment), notes payable for a police training facility, TIF economic development grants, a tax note, arbitrage, lease, and SBITA obligations.

Table 4
City of Richardson
Outstanding Debt
(In thousands)

	Governmental Activities		Business-type Activities		Total	
	2024	2023	2024	2023	2024	2023
General obligation bonds	$ 224,310	$ 186,655	$ 7,850	$ 10,165	$ 232,160	$ 196,820
Certificates of obligation	98,150	99,805	81,410	70,240	179,560	170,045
General obligation bonds from direct borrowings	1,935	2,285	-	-	1,935	2,285
Bond discounts/premium	26,794	24,195	8,200	7,811	34,994	32,006
Total bonds payable	351,189	312,940	97,460	88,216	448,649	401,156
Tax anticipation notes from direct borrowing	1,920	5,340	-	-	1,920	5,340
Financed purchases & other contractual obligations	1,118	1,503	-	-	1,118	1,503
Arbitrage	4,052	554	803	133	4,855	687
Lease obligations	3,752	6,022	60	148	3,812	6,170
SBITA obligations	6,147	6,048	161	-	6,308	6,048
TIF obligations	82,459	86,775	-	-	82,459	86,775
Total outstanding debt	$ 450,637	$ 419,182	$ 98,484	$ 88,497	$ 549,121	$ 507,679

In May 2024, the City issued $88.4M in total debt (excluding premiums), including $67.5M in GO bonds, to facilitate its ongoing capital program. Details of these transactions, including the purposes of each issue, can be found in Notes 9-13 to the financial statements.

Fiscal year 2024 was the first year the City was required to pay an Arbitrage rebate to the US Treasury in over seventeen years. In July 2024, the City paid approximately $31K. Even with conservative investing strategies, the estimated liability has grown to over $4.8M, with approximately $389K due during the next fiscal year.

Table 5
City of Richardson
Authorized but Unissued Debt
September 30, 2024

Election Date	Purpose	Amount Authorized	Amount Previously Issued	Amount Issued 2024 (1)	Authorized But Unissued
November 2, 2021					
	Streets	$102,000,000	$ 43,980,000	$ 47,330,000	$ 10,690,000
	Public Facility	64,000,000	14,600,000	4,065,000	45,335,000
	Sidewalks	8,500,000	6,090,000	2,410,000	-
	Drainage	8,000,000	7,000,000	1,000,000	-
	Parks & Recreation	7,500,000	5,955,000	725,000	820,000
	Remaining	190,000,000	77,625,000	55,530,000	56,845,000
May 2, 2023					
	Public Buildings	46,000,000	-	12,000,000	34,000,000
	Total Remaining	$236,000,000	$ 77,625,000	$ 67,530,000	$ 90,845,000

(1) Includes premium.

ECONOMIC FACTORS AND NEXT YEAR'S BUDGETS AND RATES

The following indictors were taken into consideration when adopting the FY2024-2025 budgets.

- The city's budget presentation for the 2024-2025 fiscal year budget was developed with a focus of continuing the implementation of key City Council tactics, expanded efforts for recruitment and retention, additional funding for public safety personnel and initiatives and continued focus on infrastructure reinvestment. The highlights for select funds are as follows:

- General Fund: The General Fund budget included a decrease to the City's tax rate from $0.56095 to $0.54218 per $100 of valuation. A strong housing market has continued to lead to increased taxable values for both General Fund and Debt Service needs. The budget for property tax revenues has been increased $2.6M to $77.8M. Sales/other taxes was budgeted at $53.2M million, which is $5.2M less than the original FY24 budget and $.9M less than the FY24 adjusted budget. The expenditures and transfers in the General Fund budget for FY25 totals $180.3M, an increase of .9% from the FY24 adjusted budget, and includes transfers totaling $17.2M for cash-based capital initiatives. Key focus areas for the FY25 General Fund budget include employee recruitment and retention, enhanced public safety initiatives, a focus on the City's infrastructure, and economic development.

- Water & Sewer Fund: The North Texas Municipal Water District (NTMWD) wholesale water rate was increased from $3.69 to $3.89 (5.7% increase) per 1,000 gallons and wastewater treatment rates also increased from the City's service providers. The City's total cost for wholesale water was $37.8M and the total cost for wastewater treatment was $26.2M for the fiscal year ended September 30, 2024. The budgeted costs for wholesale water are $42.2M (FY24 costs were $37.8M) and $29.0M ($26.2M in FY24) for wastewater treatment in fiscal year 2024-2025, which makes up about 63.2% of the total budgeted expenses of the Water and Sewer Fund. A rate increase of 3% on water and sewer charges was implemented due to increasing maintenance and capital needs along with increased wholesale costs. Total revenues of the fund are budgeted at $113.3M and total expenses and transfers are budgeted at $112.7M.

- Solid Waste Fund: The Solid Waste Fund budget includes $19.4M in revenues and $19.2M of expenses. Total revenues are increasing about 5.1% due to a $2 a month increase on residential rates, while there were no increase to commercial rates. Landfill expenses account for $2.5M (13.7%) of the total expenses.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the City's finances. Questions regarding any of the information provided in this report or requests for additional financial information should be addressed to the Office of the Director of Finance, P. O. Box 830309, Richardson, Texas 75083-0309.

THIS PAGE LEFT BLANK INTENTIONALLY

BASIC FINANCIAL STATEMENTS

CITY OF RICHARDSON, TEXAS
Statement of Net Position
September 30, 2024

	Governmental Activities	Business-type Activities	Total
Assets:			
Cash and cash equivalents	$ 112,416,137	$ 5,975,999	$ 118,392,136
Investments	247,955,382	38,972,342	286,927,724
Receivables (net of allowances)	15,428,049	16,422,643	31,850,692
Lease receivables	18,304,255	1,851,192	20,155,447
Inventories	1,069,471	1,387,369	2,456,840
Prepaid items	157,990	-	157,990
Deposits	127,280	-	127,280
Property held for redevelopment and resale	274,020	-	274,020
Restricted assets:			
Cash and cash equivalents	-	46,546,675	46,546,675
Receivables (net of allowances)	-	3,409	3,409
Internal balances	(2,544,632)	2,544,632	-
Capital and intangible right to use:			
Nondepreciable	237,674,585	54,184,271	291,858,856
Depreciable/amortizable (net)	371,702,300	99,343,519	471,045,819
Total assets	1,002,564,837	267,232,051	1,269,796,888
Deferred outflows of resources			
Pension contributions, investment experience and assumptions	28,615,953	5,545,046	34,160,999
Deferred loss on refundings	159,026	126,629	285,655
OPEB contributions, investment experience and assumptions	3,835,959	701,881	4,537,840
Total deferred outflows of resources	32,610,938	6,373,556	38,984,494

See accompanying notes to basic financial statements.

CITY OF RICHARDSON, TEXAS
Statement of Net Position
September 30, 2024

	Governmental Activities	Business-type Activities	Total
Liabilities:			
Accounts payable	$ 18,579,827	$ 2,180,543	$ 20,760,370
Retainage payable	3,332,546	-	3,332,546
Accrued liabilities	7,864,630	734,939	8,599,569
Accrued interest	12,962,030	521,108	13,483,138
Payable from restricted assets:			
Accounts payable	-	4,560,559	4,560,559
Retainage payable	-	2,374,589	2,374,589
Customer deposits	-	4,134,383	4,134,383
Unearned revenue	650,802	-	650,802
Money held in escrow	294,273	11,491,429	11,785,702
Non-current liabilities:			
Due within one year:			
Bonds, leases, SBITA, and contractual obligations	39,563,670	7,950,498	47,514,168
Arbitrage liability	312,129	76,737	388,866
OPEB liability	1,923,159	317,556	2,240,715
Compensated absences	1,968,336	191,391	2,159,727
Workers' compensation	585,322	204,233	789,555
Unpaid claims liability	1,104,705	-	1,104,705
Due in more than one year:			
Bonds, leases, SBITA, and contractual obligations	407,020,641	89,730,925	496,751,566
Arbitrage liability	3,740,314	725,984	4,466,298
OPEB liability	40,984,625	6,767,449	47,752,074
Compensated absences	15,925,627	1,548,523	17,474,150
Workers' compensation	4,488,856	-	4,488,856
Net pension liability	45,347,820	8,361,213	53,709,033
Total liabilities	606,649,312	141,872,059	748,521,371
Deferred inflows of resources			
Deferred gain on refundings	2,554,729	36,665	2,591,394
Pension actuarial experience	3,311,756	630,810	3,942,566
OPEB assumptions	10,146,068	1,739,313	11,885,381
Deferred inflows related to leases	17,835,510	1,935,401	19,770,911
Total deferred inflows of resources	33,848,063	4,342,189	38,190,252
Net position:			
Net investment in capital assets	246,250,591	60,776,494	307,027,085
Restricted for:			
Capital projects	82,413,505	39,584,611	121,998,116
Debt service	-	512,511	512,511
General government	26,492,715	-	26,492,715
Public safety	1,738,061	-	1,738,061
Endowment			
Expendable	166	-	166
Nonexpendable	251,080	-	251,080
Unrestricted	37,532,282	26,517,743	64,050,025
Total net position	$ 394,678,400	$ 127,391,359	$ 522,069,759

See accompanying notes to basic financial statements.

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF RICHARDSON, TEXAS

Statement of Activities

For the Fiscal Year Ended September 30, 2024

Function/programs:	Expenses	Program revenues: Charges for services	Program revenues: Operating grants and contributions	Program revenues: Capital grants and contributions	Net (expense) revenue and changes in net position: Governmental activities	Net (expense) revenue and changes in net position: Business-type activities	Net (expense) revenue and changes in net position: Total
Governmental activities:							
General government	$ 66,931,133	$ 14,084,445	$ 7,854,514	$ -	$ (44,992,174)	$ -	$ (44,992,174)
Public safety	75,591,704	8,262,651	508,810	-	(66,820,243)	-	(66,820,243)
Public services	42,872,164	6,520,144	-	112,263	(36,239,757)	-	(36,239,757)
Library	4,455,498	16,246	-	-	(4,439,252)	-	(4,439,252)
Parks and recreation	21,122,964	6,977,185	-	1,511,800	(12,633,979)	-	(12,633,979)
Public health	2,415,114	1,050,763	-	-	(1,364,351)	-	(1,364,351)
Interest	12,047,313	-	-	-	(12,047,313)	-	(12,047,313)
Total governmental activities	225,435,890	36,911,434	8,363,324	1,624,063	(178,537,069)	-	(178,537,069)
Business-type activities:							
Water and sewer	100,167,547	108,658,555	-	-	-	8,491,008	8,491,008
Solid waste	17,981,470	18,518,932	-	-	-	537,462	537,462
Total business-type activities	118,149,017	127,177,487	-	-	-	9,028,470	9,028,470
Total primary government	$ 343,584,907	$ 164,088,921	$ 8,363,324	$ 1,624,063	(178,537,069)	9,028,470	(169,508,599)
General Revenues:							
Property tax					132,912,399	-	132,912,399
Sales tax					53,763,370	-	53,763,370
Franchise tax					19,461,836	-	19,461,836
Mixed beverage and bingo tax					811,149	-	811,149
Hotel/motel tax					5,088,522	-	5,088,522
Unrestricted interest earnings					17,472,986	4,247,475	21,720,461
Gain on sale of assets					68,966	64,655	133,621
Insurance and other recoveries					14,222,447	-	14,222,447
Contributions to permanent fund principal					166	-	166
Total revenues					243,801,841	4,312,130	248,113,971
Transfers					(569,900)	569,900	-
Change in net position					64,694,872	13,910,500	78,605,372
Net position - beginning					329,983,528	113,480,859	443,464,387
Net position - ending					$ 394,678,400	$ 127,391,359	$ 522,069,759

See accompanying notes to basic financial statements

CITY OF RICHARDSON, TEXAS
Balance Sheet - Governmental Funds
September 30, 2024

	General Fund	Debt Service Fund	Capital Project Funds	Hotel/Motel Tax Fund	Other Governmental Funds	Total
Assets:						
Cash & cash equivalents	$ 787,853	$ 3,629,945	$ 83,615,291	$ 786,144	$ 17,807,415	$ 106,626,648
Investments	46,267,741	-	157,026,963	4,996,796	23,842,860	232,134,360
Receivables (net of allowances)	10,339,539	673,108	1,533,070	433,054	2,449,278	15,428,049
Lease receivables	-	-	-	17,512,302	791,953	18,304,255
Inventories	400,407	-	-	-	205,499	605,906
Prepaid items	1,382	-	-	88,750	21,600	111,732
Deposits	127,280	-	-	-	-	127,280
Property held for redevelopment	-	-	274,020	-	-	274,020
Total assets	$ 57,924,202	$ 4,303,053	$ 242,449,344	$ 23,817,046	$ 45,118,605	$ 373,612,250
Liabilities:						
Accounts payable	$ 2,166,328	$ -	$ 12,185,253	$ 342,286	$ 3,141,120	$ 17,834,987
Retainage payable	-	-	2,770,919	-	561,627	3,332,546
Accrued liabilities	7,353,535	-	4,286	348,591	125,807	7,832,219
Unearned revenue	-	-	-	431,517	219,285	650,802
Money held in escrow	-	-	294,273	-	-	294,273
Total liabilities	9,519,863	-	15,254,731	1,122,394	4,047,839	29,944,827
Deferred inflows of resources:						
Unavailable revenue	2,229,107	673,108	-	-	349,704	3,251,919
Deferred inflows related to leases	-	-	-	17,192,480	643,030	17,835,510
Total deferred inflows of resources	2,229,107	673,108	-	17,192,480	992,734	21,087,429
Fund balances:						
Nonspendable:						
Inventory	400,407	-	-	-	205,499	605,906
Deposits	127,280	-	-	-	-	127,280
Prepaid items	1,382	-	-	88,750	21,600	111,732
Permanent fund principal	-	-	-	-	251,080	251,080
Restricted for:						
Debt service	-	3,629,945	-	-	-	3,629,945
Parks and recreation projects	-	-	1,343,349	-	-	1,343,349
Public services	-	-	41,990,049	-	-	41,990,049
Capital projects	-	-	84,747,124	-	-	84,747,124
General government	-	-	14,114,732	-	25,853,462	39,968,194
Public safety	-	-	105,996	-	1,542,451	1,648,447
Committed for:						
General government	-	-	-	-	7,112,590	7,112,590
Public services	-	-	-	-	4,366,967	4,366,967
Parks and recreation	-	-	-	-	703,083	703,083
Assigned:						
General government	94,976	-	21,818,723	5,413,422	-	27,327,121
Public services	904,908	-	18,619,547	-	-	19,524,455
Public safety	143,094	-	503,643	-	-	646,737
Parks and recreation	63,137	-	2,316,206	-	21,300	2,400,643
Library	30,000	-	-	-	-	30,000
Other capital projects	-	-	41,635,244	-	-	41,635,244
Unassigned	44,410,048	-	-	-	-	44,410,048
Total fund balances	46,175,232	3,629,945	227,194,613	5,502,172	40,078,032	322,579,994
Total liabilities, deferred inflows of resources, and fund balances	$ 57,924,202	$ 4,303,053	$ 242,449,344	$ 23,817,046	$ 45,118,605	$ 373,612,250

See accompanying notes to basic financial statements.

CITY OF RICHARDSON, TEXAS

Reconciliation of the Governmental Funds Balance Sheet to the Statement of Net Position

September 30, 2024

Total fund balances - governmental funds balance sheet	$	322,579,994
Amounts reported for governmental activities in the Statement of Net Position are different because:		
Capital assets, financed purchases, intangible right-to-use assets, and SBITA assets (excluding Internal Service funds) used in governmental activities are not financial resources and, therefore, are not reported in the funds.		604,764,403
Other amounts are not available to pay for current-period expenditures and, therefore, are deferred in the funds.		35,283,638
Some amounts will not be recognized as revenue until future periods and therefore are deferred in the funds.		(13,328,637)
A portion of the assets and liabilities of the internal service funds are included in governmental activities in the Statement of Net Position.		16,790,890
Long-term liabilities, including bonds payable, leases, accrued interest, and related deferred charges, are not due and payable in the current period and, therefore, are not reported in the fund. (Note 2(A))		(571,411,888)
Net position of governmental activities	$	394,678,400

See accompanying notes to basic financial statements.

CITY OF RICHARDSON, TEXAS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds
For the Fiscal Year Ended September 30, 2024

	General Fund	Debt Service Fund	Capital Project Funds	Hotel/Motel Tax Fund	Other Governmental Funds	Total
Revenues:						
Property taxes	$ 71,628,992	$ 47,022,788	$ -	$ -	$ 14,084,608	$ 132,736,388
Franchise taxes	19,293,216	-	-	-	168,620	19,461,836
Sales tax	53,763,370	-	-	-	-	53,763,370
Mixed beverage and bingo tax	811,149	-	-	-	-	811,149
Hotel/motel taxes	-	-	-	5,088,522	-	5,088,522
Drainage fees	-	-	-	-	3,222,028	3,222,028
911 revenue	526,882	-	-	-	660,172	1,187,054
Intergovernmental revenue	661,533	-	1,511,800	-	8,968,811	11,142,144
Licenses and permits	3,427,164	-	-	-	-	3,427,164
Fines and forfeitures	1,809,567	-	-	-	176,241	1,985,808
Interest revenue	3,169,293	215,443	13,046,596	736,323	2,604,617	19,772,272
Eisemann center revenue	-	-	188,914	2,764,112	-	2,953,026
Recreation and leisure	4,381,556	-	-	-	2,424,076	6,805,632
Public safety	3,725,962	-	-	-	-	3,725,962
Contributions	34,008	-	179,905	5,000	166	219,079
Other	758,568	-	-	66,493	185,382	1,010,443
General administration charges	10,143,972	-	-	-	-	10,143,972
Total revenues	174,135,232	47,238,231	14,927,215	8,660,450	32,494,721	277,455,849
Expenditures:						
General government	37,306,419	-	9,281,999	8,934,542	2,646,281	58,169,241
Public safety	71,024,473	-	65,926	-	289,507	71,379,906
Public services	24,701,589	-	3,449,187	-	1,129,846	29,280,622
Library	3,891,144	-	525,550	-	-	4,416,694
Parks and recreation	14,417,320	-	684,629	-	2,704,825	17,806,774
Public health	2,387,250	-	-	-	-	2,387,250
General administration	-	-	-	-	1,352,556	1,352,556
Capital outlay	1,545,423	-	66,894,640	284,250	10,235,806	78,960,119
Debt service:						
Principal retirement	-	35,020,000	-	-	-	35,020,000
Interest and fiscal charges	18,609	12,258,767	119,769	-	4,447,532	16,844,677
Payments for other obligations	968,468	240,804	1,338,994	-	4,413,616	6,961,882
Issuance costs	-	-	594,532	-	-	594,532
Total expenditures	156,260,695	47,519,571	82,955,226	9,218,792	27,219,969	323,174,253
Excess (deficiency) of revenues over (under) expenditures	17,874,537	(281,340)	(68,028,011)	(558,342)	5,274,752	(45,718,404)
Other financing sources (uses):						
Transfers in	700,000	12,358	18,610,258	-	2,000,261	21,322,877
Transfers out	(18,860,519)	-	(12,358)	(1,450,000)	(1,569,900)	(21,892,777)
Issuance of certificates of obligation	-	-	4,731,569	-	481,306	5,212,875
Issuance of general obligation bonds	-	-	62,915,000	-	-	62,915,000
Issuance of other obligations	1,460,903	-	240,562	-	-	1,701,465
Premium/discount on bonds	-	-	5,498,091	-	-	5,498,091
Insurance and other recoveries	620,546	-	14,222,450	-	-	14,842,996
Proceeds from sale of capital assets	31,329	-	38,937	-	-	70,266
Total other financing sources (uses)	(16,047,741)	12,358	106,244,509	(1,450,000)	911,667	89,670,793
Net change in fund balances	1,826,796	(268,982)	38,216,498	(2,008,342)	6,186,419	43,952,389
Fund balances - October 1	44,348,436	3,898,927	188,978,115	7,510,514	33,891,613	278,627,605
Fund balances - September 30	$ 46,175,232	$ 3,629,945	$ 227,194,613	$ 5,502,172	$ 40,078,032	$ 322,579,994

See accompanying notes to basic financial statements.

CITY OF RICHARDSON, TEXAS

Reconciliation of the Statement of Revenues, Expenditures and Changes in Fund Balances of Governmental Funds to the Statement of Activities
For the Fiscal Year Ended September 30, 2024

Amounts reported for governmental activities in the statement of activities are different because:		
Net change in fund balances - total governmental funds	$	43,952,389
Governmental funds report capital outlays as expenditures. However, in the statement of activities, the cost of these assets is allocated over their estimated useful lives and reported as depreciation or amortization expense. This is the amount by which capital outlays exceeded depreciation and amortization expense in the current period. (Note 2(B))		49,686,307
Revenues in the Statement of Activities that do not provide current financial resources are not reported as revenues in the funds.		(380,612)
The issuance of long-term debt provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts and similar items when debt is originally issued, whereas these amounts are amortized in the statement of activities. This amount is the net effect of these differences in the treatment of long-term debt and related items. (Note 2(B))		(31,617,370)
Some expenses reported in the statement of activities do not require the use of current financial resources and, therefore, are not reported as expenditures in governmental funds. (Note 2(B))		2,062,282
Internal service funds are used by management to charge the costs of central services and insurance to individual funds. The net expense of certain activities of the Internal Service Funds is reported with governmental activities.		991,876
Change in net position of governmental activities	$	64,694,872

See accompanying notes to basic financial statements.

CITY OF RICHARDSON, TEXAS
Statement of Net Position - Proprietary Funds
September 30, 2024

	Business-type activities-enterprise funds			
	Water and Sewer Fund	Solid Waste Fund	Total	Governmental Activities-Internal Service Funds
Assets:				
Current assets:				
Cash and cash equivalents	$ 3,775,062	$ 2,200,937	$ 5,975,999	$ 5,789,489
Investments	33,583,548	5,388,794	38,972,342	15,821,022
Receivables (net of allowances)	14,604,185	1,818,458	16,422,643	-
Lease receivable	1,851,192	-	1,851,192	-
Inventories	1,387,369	-	1,387,369	463,565
Prepaid items	-	-	-	46,258
Restricted assets:				
Restricted cash	45,523,901	1,022,774	46,546,675	-
Other receivables	3,409	-	3,409	-
Total current assets:	100,728,666	10,430,963	111,159,629	22,120,334
Noncurrent assets:				
Capital assets:				
Land	357,950	65,560	423,510	56,011
Improvements	2,291,282	298,352	2,589,634	23,023
Buildings	9,585,126	405,247	9,990,373	259,990
Water and sewer system	246,285,062	-	246,285,062	-
Vehicles, machinery and equipment	19,639,939	20,447,210	40,087,149	436,173
Intangible right-to-use	181,236	-	181,236	254,743
SBITA assets	246,263	-	246,263	5,785,559
Construction in progress	52,770,008	990,753	53,760,761	-
Less: accumulated depreciation	(185,973,134)	(13,864,966)	(199,838,100)	(613,857)
Less: leases accumulated amortization	(122,851)	-	(122,851)	(59,376)
Less: SBITA accumulated amortization	(75,247)	-	(75,247)	(1,529,784)
Total noncurrent assets	145,185,634	8,342,156	153,527,790	4,612,482
Total assets	245,914,300	18,773,119	264,687,419	26,732,816
Deferred outflows of resources				
Pension contributions investment experience and assumptions	3,074,873	2,470,173	5,545,046	396,476
Deferred charge on refunding	126,629	-	126,629	-
OPEB contributions, investment experience and assumptions	383,967	317,914	701,881	23,717
Total deferred outflows of resources	3,585,469	2,788,087	6,373,556	420,193

CITY OF RICHARDSON, TEXAS
Statement of Net Position - Proprietary Funds
September 30, 2024

	Business-type activities-enterprise funds			
	Water and Sewer Fund	Solid Waste Fund	Total	Governmental Activities-Internal Service Funds
Liabilities:				
Current liabilities:				
Accounts payable	$ 2,014,416	$ 166,127	$ 2,180,543	$ 744,841
Accrued liabilities	555,919	179,020	734,939	32,411
Accrued interest	477,524	43,584	521,108	62,696
Unpaid claims liabilities	-	-	-	1,104,705
Current maturities of bonds, leases and contractual obligations	6,444,970	1,505,528	7,950,498	851,269
Arbitrage liability	76,737	-	76,737	-
OPEB liability	174,884	142,672	317,556	12,512
Compensated absences	107,540	83,851	191,391	12,538
Workers' compensation liability	96,590	107,643	204,233	-
Current liabilities payable from restricted assets:				
Accounts payable	4,155,118	405,441	4,560,559	-
Retainage payable	2,374,589	-	2,374,589	-
Deposits	4,134,383	-	4,134,383	-
Money held in escrow	11,491,429	-	11,491,429	-
Total current liabilities	32,104,099	2,633,866	34,737,965	2,820,972
Noncurrent liabilities:				
Bonds, leases and contractual obligations	84,144,452	5,586,473	89,730,925	3,936,420
OPEB liability	3,726,962	3,040,487	6,767,449	266,654
Net pension liability	4,542,050	3,819,163	8,361,213	562,812
Compensated absences	870,092	678,431	1,548,523	101,442
Arbitrage payable	672,537	53,447	725,984	-
Total noncurrent liabilities	93,956,093	13,178,001	107,134,094	4,867,328
Total liabilities	126,060,192	15,811,867	141,872,059	7,688,300
Deferred inflows of resources				
Deferred inflows related to leases	1,935,401	-	1,935,401	-
Pension actuarial experience	343,003	287,807	630,810	39,426
OPEB assumptions	943,577	795,736	1,739,313	89,761
Deferred inflows - gain on refunding	34,658	2,007	36,665	-
Total deferred inflows of resources	3,256,639	1,085,550	4,342,189	129,187
Net position (deficit):				
Net investment in capital assets	55,724,698	5,051,796	60,776,494	(175,207)
Restricted for:				
Capital projects	38,349,822	1,234,789	39,584,611	-
Debt service	406,240	106,271	512,511	-
Unrestricted	25,702,178	(1,729,067)	23,973,111	19,510,729
Total net position	$ 120,182,938	$ 4,663,789	124,846,727	$ 19,335,522
Adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds			2,544,632	
Net position of business-type activities			$ 127,391,359	

See accompanying notes to basic financial statements.

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF RICHARDSON, TEXAS

Statement of Revenue, Expenses and Changes in Fund Net Position - Proprietary Funds

For the Fiscal Year Ended September 30, 2024

	Business-type activities-enterprise funds			Governmental Activities-Internal Service Funds
	Water and Sewer Fund	Solid Waste Fund	Total	
Operating revenues:				
Water sales	$ 65,166,865	$ -	$ 65,166,865	$ -
Sewer service	40,855,288	-	40,855,288	-
Service fees (other)	99,883	-	99,883	-
Antenna rentals	337,350	-	337,350	-
Meter fees	41,470	-	41,470	-
Solid waste fees	-	17,821,743	17,821,743	-
Charges for services	-	-	-	3,018,269
City and employee contributions - insurance fund	-	-	-	17,345,628
Miscellaneous	2,157,699	697,189	2,854,888	1,309,588
Total operating revenues	108,658,555	18,518,932	127,177,487	21,673,485
Operating expenses:				
Personal services	6,967,114	6,676,316	13,643,430	2,921,548
Professional and technical services	3,463,711	751,949	4,215,660	1,013,163
Property services	2,862,851	125,135	2,987,986	1,299,241
Other purchases services	2,033,925	598,068	2,631,993	123,050
Insurance claims	-	-	-	15,294,375
Purchase of water	37,791,668	-	37,791,668	-
Purchase of sewage treatment	26,235,486	-	26,235,486	-
Solid waste charges	-	4,078,571	4,078,571	-
General administration	5,234,430	3,048,481	8,282,911	-
Franchise fees	5,292,476	891,378	6,183,854	-
Supplies	1,375,834	334,329	1,710,163	187,425
Depreciation	6,260,477	1,335,512	7,595,989	14,792
Amortization	164,807	-	164,807	815,847
Total operating expenses	97,682,779	17,839,739	115,522,518	21,669,441
Operating income	10,975,776	679,193	11,654,969	4,044
Nonoperating revenues (expenses):				
Interest revenue	3,793,931	453,544	4,247,475	1,219,409
Transfers in	569,900	-	569,900	-
Interest expense and fiscal charges	(2,332,721)	(125,024)	(2,457,745)	(230,982)
Issuance costs	(145,594)	(16,054)	(161,648)	-
Other non-operating charges	(6,726)	(975)	(7,701)	-
Proceeds from sale of capital assets	-	64,655	64,655	-
Total nonoperating revenues	1,878,790	376,146	2,254,936	988,427
Income before contributions and transfers	12,854,566	1,055,339	13,909,905	992,471
Change in net position	12,854,566	1,055,339	13,909,905	992,471
Total net position - October 1	107,328,372	3,608,450		18,343,051
Total net position - September 30	$ 120,182,938	$ 4,663,789		$ 19,335,522
Adjustment to reflect the consolidation of Internal Service Fund activities related to Enterprise Funds			595	
Change in net position of business-type activities			$ 13,910,500	

CITY OF RICHARDSON, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2024

	Business-type Activities - Enterprise Funds			
	Water and Sewer Fund	Solid Waste Fund	Total	Governmental Activities - Internal Service Funds
Cash flows from operating activities:				
Cash received from customers	$ 106,191,621	$ 17,574,025	$ 123,765,646	$ -
Cash received from service users	-	-	-	3,018,269
Cash received from City, employee, and other contributions	-	-	-	18,655,216
Cash payments to employees	(7,516,212)	(6,780,326)	(14,296,538)	(2,963,561)
Cash payments for claims	-	-	-	(15,167,261)
Cash payments for goods and services	(88,940,971)	(9,490,399)	(98,431,370)	(2,598,882)
Cash received from miscellaneous revenue	1,054,759	984,822	2,039,581	-
Net cash provided by (used in) operating activities	10,789,197	2,288,122	13,077,319	943,781
Cash flows from capital and related financing activities:				
Acquisition and construction of capital assets	(25,535,429)	(3,908,858)	(29,444,287)	(56,792)
Net proceeds from sale of capital assets	-	64,655	64,655	-
Bond proceeds and accrued interest	14,946,442	1,664,845	16,611,287	27,607
Principal paid on debt	(5,313,659)	(1,300,000)	(6,613,659)	(789,659)
Interest paid on debt	(3,069,463)	(299,377)	(3,368,840)	(168,385)
Fiscal charges and bond escrow payments	(6,726)	(975)	(7,701)	-
Construction escrow	(3,886,143)	-	(3,886,143)	-
Transfers to/from other funds	569,900	-	569,900	-
Net cash provided by (used in) capital and related financing activities	(22,295,078)	(3,779,710)	(26,074,788)	(987,229)
Cash flows from investing activities:				
Purchase of investment securities	(3,583,548)	(5,388,794)	(8,972,342)	(821,022)
Interest received on investments	4,422,991	499,148	4,922,139	1,219,409
Net cash provided by (used in) investing activities	839,443	(4,889,646)	(4,050,203)	398,387
Net increase (decrease) in cash, restricted cash, and cash equivalents	(10,666,438)	(6,381,234)	(17,047,672)	354,939
Cash, restricted cash, and cash equivalents, October 1	59,965,401	9,604,945	69,570,346	5,434,550
Cash, restricted cash, and cash equivalents, September 30	$ 49,298,963	$ 3,223,711	$ 52,522,674	$ 5,789,489

See accompanying notes to basic financial statements.

CITY OF RICHARDSON, TEXAS
Statement of Cash Flows
Proprietary Funds
For the Fiscal Year Ended September 30, 2024

	Business-type Activities - Enterprise Funds			
	Water and Sewer Fund	Solid Waste Fund	Total	Governmental Activities - Internal Service Funds
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income and loss	$ 10,975,776	$ 679,193	$ 11,654,969	$ 4,044
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities:				
Depreciation and amortization	6,425,284	1,335,512	7,760,796	830,639
Changes in assets and liabilities:				
(Increase)/Decrease in accounts receivable	(1,319,688)	39,915	(1,279,773)	-
(Increase)/Decrease in inventory of supplies	59,446	-	59,446	(131,744)
Increase/(Decrease) in deposits payable from restricted assets	98,531	-	98,531	-
Increase/(Decrease) in accounts payable	(4,154,272)	449,763	(3,704,509)	136,771
Increase/(Decrease) in unpaid claims liabilities	-	-	-	127,114
Increase/(Decrease) in compensated absences	(183,539)	117,483	(66,056)	24,347
Increase/(Decrease) in workers compensation	59,697	61,776	121,473	-
Increase/(Decrease) in post-employment benefits	57,058	47,877	104,935	5,247
Increase/(Decrease) in pension liability (asset)	(2,340,840)	(1,964,153)	(4,304,993)	(215,250)
Increase/(Decrease) in accrued liabilities	(654,295)	(112,251)	(766,546)	18,970
Increase/(Decrease) in deferred inflows/outlows	1,766,039	1,633,007	3,399,046	143,643
Total adjustments	(186,579)	1,608,929	1,422,350	939,737
Net cash provided by (used in) operating activities	$ 10,789,197	$ 2,288,122	$ 13,077,319	$ 943,781
Noncash investing capital and financing activities:				
Noncash-interest	(4,484)	19,323	14,839	-
Reconciliation of cash, restricted cash, and cash equivalents to the statement of net position:				
Total unrestricted cash and investments per the statement of net position	$ 3,775,062	$ 2,200,937	$ 5,975,999	$ 5,789,489
Total restricted cash and investments per the statement of net position	45,523,901	1,022,774	46,546,675	-
Cash, restricted cash and cash equivalents as of September 30, 2024	$ 49,298,963	$ 3,223,711	$ 52,522,674	$ 5,789,489
Footnote 1 - The following are noncash financing activities:				
Acquisition of asset and liability utilizing lease agreement	-	-	-	27,607
Acquisition of asset and liability utilizing SBITA	246,263	-	246,263	-

See accompanying notes to basic financial statements.

THIS PAGE LEFT BLANK INTENTIONALLY

1 Summary of Significant Accounting Policies

A. Reporting Entity

The City of Richardson, Texas (the City) is a municipal corporation governed by an elected governing board consisting of a mayor and six council members. As required by accounting principles generally accepted in the United States of America, these financial statements present the financial condition and results of operations and activities of the City for which it is considered to be financially accountable.

The accounting and reporting policies of the City relating to the funds included in the accompanying basic financial statements conform to accounting principles generally accepted in the United States of America and applicable to state and local governments. These include those principles prescribed by the Governmental Accounting Standards Board (GASB) and the American Institute of Certified Public Accountants as published in Audits of State and Local Governments.

Blended Component Unit. The Richardson Improvement Corporation (RIC) is a nonprofit corporation that serves the citizens of the City by improving municipal parks and recreational functions, facilitating real estate transactions and serving as an independent foundation for acceptance of corporate donations. The City provides all financial support to RIC and all members of its governing board are appointed by the City Council. Because the services that RIC provides exclusively benefits the City and the RIC operations are so intertwined with those of the City, RIC is in substance a department of the City and has been blended into the City's financial statements in the Other Governmental Funds category and reported as a Special Revenue Fund. Audited financial statements for RIC may be obtained by writing City of Richardson, Attn: Finance Director, PO Box 830309, Richardson, TX 75083-0309.

B. Implementation of New Accounting Statement

For fiscal year 2023-24, the City has implemented the following new statement of financial accounting standards issued by the Governmental Accounting Standards Board (GASB).

The objective of Statement No. 100, Accounting Changes and Error Corrections- an Amendment of GASB Statement No. 62, is to enhance accounting and financial reporting requirements for accounting changes and error corrections to provide more understandable, reliable, relevant, consistent, and comparable information for making decisions or assessing accountability. The requirements of this Statement will improve the clarity of the accounting and financial reporting requirements for accounting changes and error corrections, which will result in greater consistency in application in practice.

C. Basis of Presentation

Government-Wide Statements

The two government-wide financial statements, the Statement of Net Position and the Statement of Activities, report information on all the activities of the City. Governmental activities, which include those activities primarily supported by taxes or intergovernmental revenue, are reported separately from business-type activities, which generally rely on fees and charges for support. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

The Statement of Activities demonstrates the extent to which the direct expenses of a given program are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific program. Program revenues include charges to customers and applicants who purchase, use or directly benefit from goods, services or privileges provided by a given program. They also include operating grants, capital grants, and contributions that are restricted to meeting the operational or capital requirements of a particular program. Taxes and other items not included among program revenues are reported as general revenues.

Fund Financial Statements. The City segregates transactions related to certain functions or activities in separate funds in order to support financial management and to demonstrate legal compliance. Separate statements are prescribed for governmental activities and for proprietary activities. These statements present each major fund as a separate column on the fund financial statements, while all nonmajor funds are aggregated and presented in a single column.

Governmental funds are those funds through which most governmental functions typically are financed. Governmental funds are accounted for using the current financial resource measurement focus and the modified accrual basis of accounting. The City has presented the following major governmental funds:

General Fund. The General Fund is the main operating fund of the City. The fund is used to account for financial resources that are not accounted for in other funds. General tax revenues and other receipts that are not restricted by law or contractual agreement to some other fund are accounted for in this fund. General operating expenditures, fixed charges and capital improvement costs that are not paid through other funds are paid from the General Fund.

Debt Service Fund. The Debt Service Funds are used to account for the accumulation of financial resources for the payment of principal, interest and related costs on general long-term debt paid primarily from taxes levied by the City. The fund balance of the Debt Service Fund is restricted to signify the amounts are exclusively for debt service expenditures.

Capital Project Funds. The Capital Project Funds are used to account for funds expended for capital improvements, including streets and thoroughfares, parks and other recreational facilities, buildings and public facilities, drainage improvements, and for the purchase of capital equipment. Funding sources include the proceeds of general obligation bonds and certificates of obligation issued by the City, as well as intergovernmental revenues and contributions.

Hotel/Motel Tax Fund. This fund is used to account for the hotel/motel room tax and the operations of the Eisemann Center for the Performing Arts and Corporate Presentations. State law requires that hotel/motel room tax revenues be utilized for advertising and promotion of the City, tourism, and other specified activities.

Proprietary funds are accounted for using the economic resources measurement focus and the accrual basis of accounting. The accounting objectives are determinations of net income, financial position and cash flows. Assets and liabilities of the proprietary funds are included in the Statement of Net Position. The City has presented the following major proprietary funds:

Water and Sewer Fund. The Water and Sewer Fund is used to account for the provision of water and sewer services to the residents of the City. Activities of the fund include administration, billing and collection activities, and the operations, maintenance, and construction of the water and sewer systems. The fund also accounts for the accumulation of resources for the payment of long-term principal and interest for water and sewer debt. All costs are financed through charges to utility customers with rates reviewed regularly and adjusted if necessary to ensure the integrity of the system.

Solid Waste Fund. The Solid Waste Fund is used to account for the operations of solid waste collection and disposal and recycling services provided to the residents of the City. The fund also accounts for the accumulation of resources for the payment of long-term principal and interest for solid waste debt. All costs are financed through charges to the utility customers.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund’s principal ongoing operations. Operating expenses for the proprietary funds include the cost of personal and contractual services, supplies, and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as nonoperating revenues and expenses.

Additionally, the City reports the following fund types:

Internal Service Funds. The Internal Service Funds are used to account for warehouse, mail services, and records management operations provided to City departments, and health insurance provided to employees, dependents and retirees. Internal Service Funds are also used to account for the cost of replacing technology related to legacy ERP and Traffic systems. Internal Service Funds are accounted for using the economic resources measurement focus and the accrual basis of accounting.

Permanent Fund. The Permanent Fund accounts for resources that are legally restricted to the extent that only earnings, not principal, support the City's specified program. The Permanent Fund is accounted for using the current financial resource measurement focus and the modified accrual basis of accounting.

Special Revenue Funds. Special Revenue Funds are used by the City to account for revenues derived from specific intergovernmental grants, taxes, and proceeds that are designated to finance particular functions or activities of the City. Special Revenue Funds are accounted for using the current financial resource measurement focus and the modified accrual basis of accounting.

Statement of Cash Flows

For purposes of the Statement of Cash Flows, the Enterprise and Internal Service Funds consider all highly liquid investments (including restricted assets) with maturity of three months or less when purchased to be cash equivalents. Because the City, at its option, can withdraw amounts on a daily basis from TexPool, TexSTAR, Texas Range, and the Federated Money Market Mutual Fund, these investments are also considered to be cash equivalents.

D. Measurement Focus/Basis of Accounting

Measurement focus refers to what is being measured; basis of accounting refers to when revenues and expenditures are recognized in the accounts and reported in the financial statements. Basis of accounting relates to the timing of the measurement made, regardless of the measurement focus applied.

The government-wide statements and fund financial statements for proprietary funds are reported using the economic resources measurement focus and the accrual basis of accounting. The economic resources measurement focus means all assets and liabilities (whether current or noncurrent) are included on the Statement of Net Position and the operating statement presents increases (revenues) and decreases (expenses) in net position. Under the accrual basis of accounting, revenues are recognized when earned, including unbilled water, sewer, and solid waste collection services. Expenses are recognized at the time the liability is incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and are accounted for using the modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recognized when susceptible to accrual, that is, when they are "measurable and available." "Measurable" means the amount of the transaction can be determined, and "available" means collectible within the current period. The City considers all revenues available if they are collected within the current period or soon enough thereafter to be used to pay liabilities of the current period. A 30-day availability period is used for revenue recognition for all governmental fund type revenues, except fines and forfeitures, which are accrued using a 45-day availability period, and for grants, which are accrued as revenue as soon as all applicable eligibility requirements have been met.

Expenditures are recorded when the related fund liability is incurred, except for outstanding principal and interest on general long-term debt which is recognized when due, and certain leases, compensated absences, postemployment benefits, and claims and judgments, which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Those revenues susceptible to accrual are property taxes, franchise fees, sales tax revenues, fines and forfeitures, drainage fees, and interest revenue. Licenses and permits, recreation and leisure fees, public safety, and other revenues are not susceptible to accrual because generally they are not measurable until received in cash.

The City reports unavailable revenue in its governmental funds. Unavailable revenues arise when potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Unearned revenues arise when the City receives resources before it has a legal claim to them, as when grant moneys are received prior to the incidence of qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met or when the City has a legal claim to the resources, revenue is recognized.

E. Assets, Liabilities, Deferred Outflows/Inflows of Resources, and Net Position

Deposits and Investments

The City maintains a cash and investment pool that is available for use by all funds.

The Legislature for the state of Texas has enacted and regularly amends the Public Funds Investment Act (Investment Act) that governs items such as investment strategies and policies, training for investment officers, quarterly reporting, and types of investments allowed. The City has developed an Investment Policy that is annually reviewed and approved through resolution by the City Council that is in compliance with the Investment Act. Accordingly, the City is authorized to invest in (1) obligations of the United States or its agencies and instrumentalities, including letters of credit; (2) direct obligations of the state of Texas or its agencies and instrumentalities; (3) obligations of state agencies, cities, and other political subdivisions of any state rated as to investment quality by a nationally recognized investment rating firm not less than "A" or its equivalent, and other obligations, the principal and interest of which are unconditionally guaranteed or insured by the state of Texas, or the United States, or its instrumentalities; (4) Joint Investment Pools of political subdivisions in the state of Texas, which comply with the guidelines stated in the City's investment policy; (5) Certificates of Deposit issued by state or national banks and credit unions domiciled in Texas that are guaranteed or insured by the Federal Deposit Insurance Corporation or secured by obligations mentioned above; (6) fully collateralized direct repurchase agreements having a defined termination date; and (7) no-load money market mutual funds regulated by the Securities and Exchange Commission.

The City is not authorized by its investment policy to invest in banker's acceptances, "bond" mutual funds, collateralized mortgage obligations of any type, and commercial paper, with the exception that the City may invest in local government investment pools and money market mutual funds that have commercial paper as authorized investments.

Investment transactions are conducted through the depository bank. The City's safekeeping agent holds all securities in the City's name.

For fiscal year 2024, the City invested in U.S. Agencies, U.S. Treasuries, TexPool, TexSTAR, Texas Daily and Federated Money Market Funds. The City records all interest revenue related to investment activities in the respective funds.

Investments that have a remaining maturity at the time of purchase of over one year are recorded at fair value based on quoted market prices. Fair value is the price that would be received to sell an investment in an orderly transaction between market participants at the measurement date. Investments with a remaining maturity at time of purchase of one year or less are recorded at amortized cost. For these investments, amortized cost approximates fair value.

TexPool and TexSTAR were created to conform to the Interlocal Cooperation Act, Chapter 791 of the Texas Government Code, and the Public Funds Investment Act, Chapter 2256 of the Texas Government Code. The fair value of positions in TexPool or TexSTAR is the same as the value of the pool shares. Texas Daily was created in 2000 to allow Texas local governments and school districts to pool their funds for investment.

For TexPool, the State's Comptroller of Public Accounts is the sole officer, director, and shareholder of the Texas Treasury Safekeeping Trust Company (Trust Company), which is authorized to operate TexPool. Pursuant to the TexPool participation agreement, administrative and investment services to TexPool are provided by Federated. The Comptroller maintains oversight of the services provided by TexPool. The TexPool Advisory Board, composed equally of participants in TexPool and other persons who do not have a business relationship with TexPool, acts as advisor on TexPool's Investment Policy.

J.P. Investment Management, Inc. and HilltopSecurities serve as coadministrators for TexSTAR under an agreement with the TexSTAR board of directors (the Board). The Board is composed of five members, three are representatives of participants in TexSTAR and the other two members are designated by each of the coadministrators. The Board manages the business and affairs of TexSTAR in accordance with its bylaws.

Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due to/from other funds" (the current portion of interfund loans) or "advance to/from other funds" (the noncurrent portion of interfund loans). Any residual balances outstanding between governmental activities and business-type activities are reported in the government-wide financial statements as "internal balances".

Property taxes attach as an enforceable lien on property as of January 1. Taxes are levied on October 1 and are due and payable on or before January 31 of the following year. All unpaid taxes become delinquent February 1 of the following year. City property taxes are billed and collected by Dallas County or Collin County depending on the county in which the property is located. City property tax revenues are recognized in the period for which they are collected. An allowance is established for delinquent taxes to the extent that their collectability is improbable.

The Statutes of the State of Texas do not prescribe a legal debt limit; however, Article XI, Section 5 of the Texas Constitution applicable to cities with a population of more than 5,000, limits the ad valorem tax rate to $2.50 per $100 assessed valuation. For the year ended September 30, 2024, the City's tax rate was $0.56095 per $100 assessed valuation.

Inventories and Prepaid Items

Inventories

Inventory consists primarily of supplies, valued at cost, which approximates market. Cost is determined using a weighted-average method. The cost of inventories is recorded as expenditures/expenses when consumed rather than when purchased. Accordingly, fund balance is classified as nonspendable for an amount equal to inventory to signify those funds are not available for expenditure.

Prepaid Items

Certain payments to vendors reflect costs applicable to future accounting periods and are recorded as prepaid items in both the government-wide and fund financial statements. The cost of prepaid items is recorded as expenditures/expenses when consumed rather than when purchased.

Property Held for Redevelopment

The City records all property held for redevelopment at net realizable value. During FY 2012 the City acquired land which is being held for future economic development. Total land was recorded at a net realizable value of $274,020.

Capital Assets

Property, plant, equipment and public domain (infrastructure) capital assets such as roads, bridges, curbs, gutters, streets and sidewalks, drainage systems, and water and sewer systems are recorded in the applicable governmental or business-type activities columns in the government-wide financial statements and in the fund financial statements of the proprietary funds. All assets are recorded at historical cost or estimated historical cost if actual historical cost is not available (except for intangible right-to-use assets, the measurement of which is discussed under the Leases section of this footnote). Donated capital assets are recorded at their acquisition value at the date of donation. The cost of normal maintenance and repairs that do not add to the value of the asset or materially extend assets' lives are not capitalized, but are recorded as expenditures/expenses as incurred.

Assets are capitalized that have an original cost of $5,000 or more and an estimated useful life of more than two years. Depreciation has been calculated on each class of depreciable property using the straight-line method, with one-half year's depreciation in the year of acquisition and one-half year in the final year of life or upon disposal which ever event occurs first. Intangible right-to-use assets are discussed in further detail under the Leases section of this footnote.

Estimated useful lives are as follows:

Land improvements	10 - 50 years
Buildings	10 - 50 years
Other improvements	5 - 50 years
Infrastructure	30 years
Vehicles, machinery and equipment	3 - 20 years
Intangible right-to-use land and equipment	2 - 5 years
Subscription based information technology agreements	3 - 10 years

Leases

Lessee

The City recognizes a lease liability and an intangible right-to-use asset in the government-wide and proprietary fund statements.

At implementation of GASB Statement No. 87 and the commencement of leases beginning after October 1, 2021, the City initially measured the lease liability at the present value of payments expected to be made during the remaining lease term. Subsequently, the lease liability is reduced by the principal portion of the lease payments made. The lease right-to-use asset was initially measured as the inital amount of the lease liability, adjusted for lease payments made at or before the lease commencement date, plus certain initial direct costs. Subsequently, the right-to-use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgements related to leases include how the City determines (1) the discount rate it uses to discount the expected lease payments to present value, (2) lease term and (3) lease payments. The City uses the interest rate charged by the lessor as the discount rate if it has been provided. When the interest rate charged by the lessor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for leases. The term includes the noncancellable period of the lease. Lease payments included in the measurement of the lease liability are composed of the fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasuremnt of its lease and will remeasure the lease aseet and liability if certain changes occur that are expected to significantly affect the amount of the lease liability.

Intangible right-to-use assets are reported with other capital assets and lease liabilities are reported with long-term debt on the Statement of Net Position.

Lessor

The City recognizes a lease receivable and a deferred inflow of resources in the government-wide, governmental, and proprietary funds financial statements.

At implementation of GASB Statement No. 87 and the commencement of leases beginning after October 1, 2021, the City initially measured the lease receivable at the present value of payments expected to be received during the lease term. Subsequently, the lease receivable is reduced by the principal portion of lease payments received. The deferred inflow of resources is initially measured as the initial amount of the lease receivable, adjusted for lease payments received at or before the lease commencement date. Subsequently, the deferred inflow of resources is recognized as revenue over the life of the lease term in a systematic and rational manner.

Key estimates and judgements include how the City determines (1) the discount rate it uses to discount the expected lease receipts to present value, (2) lease term and (3) lease receipts. The City uses the stated rate, implicit (estimated) rate, lessor incremental borrowing rate, or the rate disclosed in the agreement. If the rate is not readily available, the City uses its estimated incremental borrowing rate as the discount rate. The lease term includes the non-cancellable period of the lease. Lease receipts included in the measurement of the lease receivable are composed of fixed payments from the lessee.

The City monitors changes in circumstance that would require a remeasurement of its lease, and will remeasure the lease receivable and deferred inflow of resources if certain changes occur that are expected to significantly affect the amount of lease receivable.

Subscription Based Information Technology Agreements

The City recognizes a SBITA liability and an intangible right-to-use SBITA asset in the government-wide fund financial statements.

At implementation of GASB Statement No. 86 and the commencement of SBITA beginning after October 1, 2022, the City initially measured the liability at the present value of payments expected to be made during the remaining agreement term. Subsequently, the SBITA liability is reduced by the principal portion of payments made. The SBITA right-to-use asset was initially measured as the initial amount of the SBITA liability, adjusted for payments made at or before the commencement date, plus certain initial direct costs. Subsequently, the SBITA right-to use asset is amortized on a straight-line basis over its useful life.

Key estimates and judgments related to SBITA include how the City determines (1) the discount rate it uses to discount the expected payments to present value, (2) agreement term and (3) agreement payments. The City uses the interest rate charged by the provider as the discount rate if it has been provided. When the interest rate charged by the providor is not provided, the City generally uses its estimated incremental borrowing rate as the discount rate for SBITA. The agreement term includes the noncancellable period of the agreement. Agreement payments included in the measurement of the SBITA liability are composed of

fixed payments and purchase option price that the City is reasonably certain to exercise.

The City monitors changes in circumstances that would require a remeasurement of its SBITA and will remeasure the SBITA asset and liability if certain changes occur that are expected to significantly affect the amount of the SBITA liability.

SBITA assets are reported with other capital assets and SBITA liabilities are reported with long-term debt on the Statement of Net Position.

Asset Impairments and Insurance Recoveries

The City has recorded insurance recoveries related to the impairment of capital assets as program revenue at the government-wide level, as other financing sources in the Governmental Funds and as other nonoperating revenues in the Enterprise Funds. For the year ended September 30, 2024, the City received $14,842,996 in insurance recoveries. There were no recoveries in the Enterprise Funds.

Money Held in Escrow

During FY 2023, the City received $15,716,125 from the North Texas Municipal Water District for the construction of a 30 inch water line and metering station that is being built in conjunction with a City water project. The funds will be applied against construction costs as they are incurred. During FY 2024 the City incurred costs of $3,846,143 that were applied to the escrow, leaving a balance of $11,491,429.

The City also holds $294,273 in escrow deposits to be used for various projects throughout the city.

Compensated Absences

The City allows employees to accumulate unlimited unused sick leave. Earned vacation time is generally required to be used within one year of accrual, although the City allows employees to carry up to 20 days of vacation time into the next year. Upon termination, the City pays nonretirees up to 22 days of accumulated sick leave and pays retirees up to 90 days of accumulated sick leave. Sick leave in excess of the 22-day maximum is not paid upon termination to nonretirees and will be paid only upon illness while in the employment of the City. Any accumulated vacation that was not taken due to work-related assignments is paid upon termination, with authorization by the City Manager or his designee, based on years of service. Compensated absences are only reported in Governmental Funds if they are pending maturities owed to separated employees at the end of the reporting period.

Postemployment Benefits

The City provides postemployment healthcare benefits to all employees who retire from the City. All employees who are vested in the City's pension plan, Texas Municipal Retirement System (TMRS), are eligible for these benefits with 20 years or more of service, regardless of age, or with 5 years or more of service at age 60 and above. Coverage is also available to dependents or surviving spouses of retirees. The City subsidizes medical, dental, and hospitalization costs incurred by retirees and their dependents. Recommendations for plan benefits are presented to City Council for their approval during the annual budget process. The City's plan qualifies as a single-employer, defined benefit plan. Complete details of the plan are listed in Note 18.

Long-Term Obligations

General Obligation Bonds and other debt issued for general government capital projects and acquisitions that are to be repaid from tax revenues of the City are recorded in the governmental activities column in the government-wide Statement of Net Position. Debt issued to fund capital projects in the proprietary funds is recorded in the business-type activities column in the government-wide Statement of Net Position and in the proprietary fund Statement of Net Position. Bond premiums and discounts as well as deferred charges on refunded debt obligations are amortized over the life of the bonds using the effective interest method in the government-wide financial statements and in the proprietary funds. Bonds payable are reported net of the applicable bond premiums and discounts.

In the governmental funds, bond premiums and discounts are recognized in the period the bonds are issued. Bond proceeds are reported as other financing sources, as are any applicable premium or discount. Issuance costs are expensed in the period the bonds are issued.

Classifications of Fund Balance

Restricted fund balances in the governmental funds are restricted to specific purposes that are externally imposed by creditors, grantors, contributors or laws or regulations of other governments. Committed fund balances are amounts that can only be used for specific purposes with constraints imposed by the formal action of the City Council's adoption of an ordinance. Assigned fund balances are amounts that are constrained by the City's intent to be used for specific purposes but are neither restricted nor committed. Assigned fund balances are determined by City management based on City Council direction, in accordance with financial policies adopted by resolution. Unassigned fund balance represents the amount that does not meet the criteria for restricted, committed, or assigned. Nonspendable fund balances represent amounts that cannot be spent because they are legally or contractually required to be maintained.

The City considers an expenditure to be made from the most restrictive resources/funds when more than one classification is available. This may result in certain special revenue funds reporting assigned residual balances if restricted or committed balances, which make up the majority of the fund's resources, have been exhausted.

The General Fund is the only fund that reports a positive unassigned fund balance amount. In other governmental funds it is not appropriate to report a positive unassigned fund balance amount. However, in governmental funds other than the general fund, if expenditures incurred for specific purposes exceed the amounts that are restricted, committed, or assigned to those purposes, it may be necessary to report a negative unassigned fund balance in that fund.

Deferred Outflows/Inflows of Resources

In addition to assets, the Statement of Net Position reports a separate section of deferred outflows of resources and deferred infows of resources. This separate financial statement element represents a consumption of net assets that applies to a future period(s) and so will not be recognized as an outflow of resources (expenses/expenditure) until the appropriate time period. The deferred outflows of resources are reported in the government-wide statement of net position for governmental and business activities and the fund level for the proprietary statement of net position. In addition to liabilities, the Statement of Net Position and Balance Sheet reports a separate section for deferred inflows of resources. This separate financial statement element, deferred inflows of resources, represents an acquisition of net assets that applies to a future period(s) and so will not be recognized as an inflow of resources (revenues) until that time.

There are several financial statement transactions that qualify for reporting as a deferred outflow or inflow of resources. First, the City's contributions to its pension and OPEB plans made from the measurement date of the respective plans to the current fiscal year end are classified as deferred outflows and will be recognized in the subsequent fiscal year. Second, at the governmental fund level, revenues that have been billed but not yet collected are reported as unavailable revenues. These amounts are classified as deferred inflows and recognized as revenue in the period they become available to the City. Finally, the value of future lease payments due to the City is reported as a deferred inflow of resources and will be recognized as revenue in future periods as lease payments are received.

Several financial statement transactions may be reported as either a deferred outflows or inflows of resources. First, the deferred charge on refunded debt results from the difference in the carrying value of the refunded debt and its reacquisition price. The amount is deferred and amortized over the shorter of the life of the refunded or refunding debt. Second, the actual versus projected investment earnings for the pension plan, the changes in assumptions for the pension and OPEB plans and difference between the actual versus projected actuarial experience for the pension and OPEB plans may qualilfy as a deferred outflow or inflow of resources. These amounts are deferred and recognized as pension or OPEB expense or reduction of expense as appropriate based over a closed five-year period (investment experience) or the estimated average remaining services lives of employees that are provided with the respective benefits, both active and inactive employees, as calculated by the respective plans (all other pension/OPEB deferrals).

Minimum Fund Balance Policy

It is the desire of the City to maintain adequate fund balance in the General Fund in order to maintain liquidity and in anticipation of economic downturns or natural disasters. The City Council has adopted a financial policy to maintain a minimum fund balance of 90 days of budgeted expenditures in the General Fund.

Net Position

Net position represents the difference between assets, deferred outflows of resources, liabilities, and deferred inflows of resources. Net investment in capital assets consists of capital assets, net of accumulated depreciation, reduced by the outstanding balance of any debt used for the acquisition, construction or improvements of those assets, plus any unspent debt proceeds. The government-wide statement of net position reports $150,992,649 of restricted net position. These resources are limited in their use by external parties such as bondholders and granting agencies. Unrestricted net position may be used for any lawful purpose.

2 Reconciliation of Government-Wide and Fund Financial Statements

A. Explanation of Certain Differences between the Governmental Funds Balance Sheet and the Government-Wide Statement of Net Position

The governmental funds Balance Sheet includes reconciliation between fund balances – total governmental funds and net position – governmental activities as reported in the government-wide Statement of Net Position. One element of that reconciliation explains that "long-term liabilities, including bonds payable, leases, accrued interest, and related deferred charges, are not due and payable in the current period and therefore are not reported in the funds."

The details of the $571,411,888 are as follows:

Bonds payable	$	324,395,000
Notes payable, leases and other contractual obligations		90,607,576
Less issuance discount (to be amortized as interest expense)		(60,176)
Add issuance premium (to be amortized as interest expense)		26,854,221
Less deferred charges on refunding, net (to be amortized as interest expense)		2,395,703
Accrued interest payable		12,899,334
TMRS pension liability/(asset)		44,785,008
Postemployment liability		42,628,618
Compensated absences		17,779,983
Workers' compensation liability		5,074,178
Arbitrage liability		4,052,443
Net adjustment to reduce fund balances - total governmental	$	571,411,888

B. Explanation of Certain Differences between the Governmental Funds Statement of Revenues, Expenditures and Changes in Fund Balances and the Government-Wide Statement of Activities

The governmental funds Statement of Revenues, Expenditures, and Changes in Fund Balances includes a reconciliation between net change in fund balances – total governmental funds and changes in net position of governmental activities as reported in the government-wide Statement of Activities. One element of this reconciliation explains that the "Governmental funds report capital outlay and lease expenditure outlays as expenditures. However, in the Statement of Activities, the cost of those capital and intangible right-to-use assets is allocated over their estimated useful lives and reported as depreciation or amortization expense." The details of this $49,686,307 difference are as follows:

Capital Outlay	$	76,380,777
Lease Expenditure Outlay		769,981
SBITA Expenditure Outlay		1,809,361
Governmental Depreciation and Amortization Expense		(29,273,812)
Net adjustment to increase fund balances - total governmental funds to arrive at changes in net position of governmental activities	$	49,686,307

Another element of the reconciliation states "The issuance of long-term debt (e.g., bonds, leases, and notes) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the current financial resources of governmental funds. Neither transaction, however, has any effect on net position. Also, governmental funds report the effect of premiums, discounts, and similar items when debt is originally issued, whereas these amounts are amortized in the Statement of Activities."

The details of the $31,617,370 are as follows:

Debt issued or incurred:	
General obligations, certificates of obligation, and refunding bonds	$ (67,250,000)
Lease obligations	(769,981)
SBITA obligations	(1,809,361)
Add premium and discount	(5,498,091)
Principal repayments:	
General obligation bonds	25,610,000
Tax Anticipation Notes	3,420,000
Certificates of obligation	5,990,000
Notes payable and other contractual obligations	4,702,101
Lease obligations	3,009,871
SBITA obligations	978,091
Net adjustment to decrease fund balance - total governmental funds to arrive at changes in net position of governmental activities	$ (31,617,370)

Another element of the reconciliation states, "Some expenses reported in the Statement of Activities do not require the use of current financial resources and therefore are not reported as expenditures in governmental funds." The details of the $2,062,282 are as follows:

Amortization of bond premium	$ 2,902,103
Amortization of bond discount	(3,185)
Amortization of deferred charge on refunded bonds	357,565
Accrued interest	563,274
Change in arbitrage	(3,498,456)
Pension expenses	24,726,805
Other postemployment benefits	(602,713)
Compensated absences	(757,276)
Workers compensation	169,093
Change in deferred inflows	1,015,656
Change in deferred outflows	(22,810,584)
Net adjustment to increase fund balance - total governmental funds to arrive at changes in net position of governmental activities	$ 2,062,282

3 Deposits and Investments

	Bank balance	Book balance
Financial Institution:		
Bank of America - City	$ 5,760,134	$ 5,658,534
Bank of America - RIC	23,634	23,634
Frost - City	122,333	122,333
Petty Cash - City	-	8,805
Total	$ 5,906,101	$ 5,813,306

Fair Value Measurements

The City categorizes its fair value measurements within the fair value hierarchy established by generally accepted accounting principles. The hierarchy is based on the valuation inputs used to measure the fair value of the asset. The three levels of the fair value hierarchy are described as follows:

Level 1 - Quoted prices (unadjusted) in active markets for identical assets. These types of investments primarily include common stock and equities traded on public exchanges.

Level 2 - Significant observable inputs for the asset other than quoted prices included within Level 1 that are observable for similar securities, but not exact. These types of investments include US Government obligations and obligations of government agencies.

Level 3 - Significant unobservable inputs for an asset, as they trade infrequently or not at all. (The City does not value any investments using Level 3 inputs).

The City has the following recurring fair value measurements as of September 30, 2024:

	9/30/2024	Inputs (Level 1)	Inputs (Level 2)	Inputs (Level 3)	Weighted average maturity (days) (1)
Investments by fair value level					
Debt securities					
Federal Home Loan Bank	$ 27,953,013	$ -	$ 27,953,013	$ -	40
Federal Farm Credit Bank	41,290,833	-	41,290,833	-	63
Federal Home Loan Mortgage Corporation	7,726,936	-	7,726,936	-	12
Federal National Mortgage Association-Bonds	12,611,226	-	12,611,226	-	21
Total debt securities	89,582,008	-	89,582,008	-	
U.S. Treasuries	197,345,716	-	197,345,716	-	262
Total investment by fair value level	286,927,724	$ -	$ 286,927,724	$ -	
Investments measured at net asset value					
Federated Money Market Fund	10,068,290				1
Total investments measured at net asset value	10,068,290				
Investments measured at amortized cost					
Texas Range LGIP	35,875,885				3
TexStar LGIP	21,498,267				3
TexPool LGIP	91,683,063				6
Total investments at amortized cost	149,057,215				
Total investments	$ 446,053,229				
Portfolio weighted average maturity					411

(1) Amounts shown as zero are less than one day.

The amounts for the Investment Pools (Texpool, TexStar and Texas Range) and the Federated Money Market Fund are included for financial reporting purposes in cash and cash equivalents.

The City's Local Government Investment Pools (LGIPs) listed above qualify to be valued at amortized cost and have no limitations or restrictions on withdrawals.

Debt securities classified as Level 2 of the fair value hierarchy are valued by SVC, a subsidiary of SS&C Technologies. SVC uses a number of sources for their pricing data, with most government securities pricing provided by Interactive Data Corp (IDC), an independent third-party pricing service which is the largest provider of fixed income pricing. Security values are determined through matrix pricing, which values securities based on their relationship to benchmark quoted prices.

Credit Risk – Investments. The City's investment policy requires that joint investment pools maintain a continuous rating no lower than AAA or AAA-m or an equivalent rating by at least one nationally recognized rating agency, and that obligations of states, agencies, cities, or other political subdivisions of any state be rated no less than A or an equivalent rating by at least one nationally recognized rating agency. The City's investment policy has no other restrictions relating to credit ratings that would limit its investment options. Moody's has rated investments in Federal Home Loan Bank and Federal Farm Credit Bank, as AAA as of September 30, 2024. Standard & Poor's has rated investments in TexPool, TexSTAR, Texas Range, and Federated Money Market Funds as AAA-m as of September 30, 2024.

Custodial Credit Risk – Deposits and Investments. For deposits, custodial credit risk is the risk that in the event of a bank failure, the City's deposits may not be returned. The City's investment policy follows state statutes, which require that all deposits in financial institutions be fully collateralized or insured. For investments, custodial credit risk is the risk that in the event of the failure of a counterparty, the City will not be able to recover the value of its investments or collateral securities that are in the possession of an outside party. The City's investment policy requires that all investments held by outside parties for safekeeping be held in the name of the City. The City was not exposed to any custodial credit risk during the year.

Interest Rate Risk – Investments. In accordance with its investment policy, the City manages its exposure to declines in fair values by limiting the weighted average maturity of its operating portfolio to one year or less. The maximum weighted average maturity for the City's composite portfolio is three years.

Concentration of Credit Risk – Investments. The City's investment policy does not place a limit on the amount the City may invest in a single issuer, except that the City may not invest more than 25% in an individual investment pool or money market mutual fund. At September 30, 2024, the City's direct investments are in the U.S. Treasuries, Federal Home Loan Bank, Federal Farm Credit Bank, Federal Home Loan Mortgage Corporation, and Federal National Mortgage Association. These investments are 44%, 6%, 9%, 2% and 3% respectively, of the City's total investments.

4 Restricted Assets

Enterprise Funds

At year-end, the following were the restricted assets in the Enterprise Funds:

	Water and Sewer Fund	Solid Waste Fund	Total
Debt Service - Sinking Fund	$ 786,369	$ 151,862	$ 938,231
Customer Deposits	4,230,835	-	4,230,835
Rate Stabilization	2,484,035	-	2,484,035
Capital Project and Equipment Funds	38,022,662	870,912	38,893,574
Total Restricted Cash	45,523,901	1,022,774	46,546,675
Other Receivables	3,409	-	3,409
Total Restricted Assets	$ 45,527,310	$ 1,022,774	$ 46,550,084

5 Receivables

Amounts other than leases receivable at September 30, 2024, for the government's individual major governmental funds, nonmajor funds, and internal service funds in the aggregate, and for individual major business-type funds, including the applicable allowances for uncollectible accounts, consist of the following:

Governmental Receivables

	General Fund	Debt Service Fund	Capital Project Funds	Hotel/ Motel Tax Fund	Nonmajor Governmental Funds	Total Governmental Funds
Receivables:						
Taxes - property	$ 1,397,634	$ 912,419	$ -	$ -	$ -	$ 2,310,053
Taxes - sales	3,861,896	-	-	-	-	3,861,896
Trade accounts	5,307,041	-	-	407,924	501,590	6,216,555
Interest	895,383	-	1,533,070	25,130	1,020	2,454,603
Intergovernmental	334,044	-	-	-	1,958,505	2,292,549
Gross receivable	11,795,998	912,419	1,533,070	433,054	2,461,115	17,135,656
Less allowance for uncollectibles	(1,456,459)	(239,311)	-	-	(11,837)	(1,707,607)
Net receivables	$ 10,339,539	$ 673,108	$ 1,533,070	$ 433,054	$ 2,449,278	$ 15,428,049

Business-Type Receivables

	Water and Sewer Fund	Solid Waste Fund	Total Business-Type Activities
Receivables:			
Unrestricted			
Trade accounts	$ 13,623,454	$ 1,869,167	$ 15,492,621
Other receivables	1,416,065	28,687	1,444,752
Interest	8,744	-	8,744
Gross receivable	15,048,263	1,897,854	16,946,117
Less allowance for uncollectibles	(444,078)	(79,396)	(523,474)
Net unrestricted receivables	$ 14,604,185	$ 1,818,458	$ 16,422,643

The Water and Sewer and Solid Waste trade accounts receivable include unbilled charges for services rendered through September 30, 2024.

Leases Receivables

The City has entered into multiple lease agreements for land and cell sites as lessor. During the year ended September 30, 2024, $93,460 and $305,930 were received in principal and interest for governmental activities, and $316,231 and $42,152 were received in principal and interest for business-type activities. The City initially measures the lease receivable at the present value of payments expected to be received during the remaining lease term. The lease rate, term and ending lease receivables are as follows:

	Interest Rates	Receivable at Commencement	Lease Term in Years	Ending Balance
Governmental Type				
Facility Lease (TIF #1 Fund)	0.74%	$ 462,730	7	$ 469,626
Facility Lease (TIF #1 Fund)	2.72%	322,327	8	322,327
Parking Structure (Hotel/Motel Fund)	1.72%	17,823,675	85	17,512,302
Total Governmental Type		$ 18,608,732		$ 18,304,255
Business Type				
Cell Sites (Water/Sewer Fund)	0.30% - 3.18%	$ 2,659,912	3 - 15	$ 1,851,192

The future principal and interest payments as of September 30, 2024, were as follows:

	Governmental Activity			Business-Type Activity		
Fiscal Year	Principal Payments	Interest Payments	Total Payment	Principal Payments	Interest Payments	Total Payment
2025	$ 142,112	$ 312,578	$ 454,690	$ 300,638	$ 35,668	$ 336,306
2026	255,298	309,392	564,690	319,413	28,939	348,352
2027	258,954	305,736	564,690	334,354	21,835	356,189
2028	262,676	302,014	564,690	306,244	14,278	320,522
2029	256,464	298,226	554,690	131,964	7,754	139,718
2030 - 2034	683,179	1,445,896	2,129,075	327,200	21,565	348,765
2035 - 2039	606,277	1,390,673	1,996,950	131,379	2,771	134,150
2040 - 2044	660,750	1,336,200	1,996,950	-	-	-
2045 - 2049	720,117	1,276,833	1,996,950	-	-	-
2050 - 2054	784,818	1,212,132	1,996,950	-	-	-
2055 - 2059	855,333	1,141,617	1,996,950	-	-	-
2060 - 2064	932,183	1,064,767	1,996,950	-	-	-
2065 - 2069	1,015,938	981,013	1,996,951	-	-	-
2070 - 2074	1,107,218	889,732	1,996,950	-	-	-
2075 - 2079	1,206,699	790,251	1,996,950	-	-	-
2080 - 2084	1,315,118	681,832	1,996,950	-	-	-
2085 - 2089	1,433,279	563,671	1,996,950	-	-	-
2090 - 2094	1,562,057	434,893	1,996,950	-	-	-
2095 - 2099	1,702,404	294,546	1,996,950	-	-	-
2100 - 2104	1,855,362	141,588	1,996,950	-	-	-
2105 - 2106	688,019	10,912	698,931	-	-	-
Total	$ 18,304,255	$ 15,184,502	$ 33,488,757	$ 1,851,192	$ 132,810	$ 1,984,002

6 Capital and Intangible Right-To-Use Assets

Capital and intangible right-to-use asset activity for the year ended September 30, 2024 was as follows:

	October 1, 2023	Increases	Decreases	September 30, 2024
Governmental activities:				
Capital assets, not being depreciated:				
Land	$ 93,644,816	$ 1,498,184	$ -	$ 95,143,000
Public Art	4,237,208	-	-	4,237,208
Construction in Progress	76,133,301	76,409,967	(14,248,891)	138,294,377
Total capital assets, not being depreciated	174,015,325	77,908,151	(14,248,891)	237,674,585
Capital assets, being depreciated:				
Buildings	213,506,800	-	-	213,506,800
Improvements other than buildings	117,391,332	7,119,648	(3,854)	124,507,126
Vehicles, machinery and equipment	69,588,484	4,726,559	(1,268,781)	73,046,262
Infrastructure	571,078,145	706,886	-	571,785,031
Total	971,564,761	12,553,093	(1,272,635)	982,845,219
Less accumulated depreciation for:				
Buildings	84,656,421	4,536,578	-	89,192,999
Improvements other than buildings	71,908,621	3,362,425	(3,551)	75,267,495
Vehicles, machinery, and equipment	53,599,112	6,104,203	(1,267,778)	58,435,537
Infrastructure	388,973,537	11,316,801	-	400,290,338
Total	599,137,691	25,320,007	(1,271,329)	623,186,369
Total assets being depreciated, net	372,427,070	(12,766,914)	(1,306)	359,658,850
Intangible right-to-use assets:				
Lease vehicle and equipment	493,178	508,913	(266,042)	736,049
Lease buildings	8,260,766	288,675	(817,195)	7,732,246
Lease land	2,688,559	-	-	2,688,559
Total	11,442,503	797,588	(1,083,237)	11,156,854
Less accumulated amortization for:				
Lease vehicles and equipment	212,146	132,957	(266,042)	79,061
Lease buildings	375,489	2,220,065	-	2,595,554
Lease land	1,568,688	784,344	-	2,353,032
Total	2,156,323	3,137,366	(266,042)	5,027,647
Total intangible right-to-use assets, net	9,286,180	(2,339,778)	(817,195)	6,129,207
SBITA assets:	6,875,528	1,809,361	-	8,684,889
Less accumulated amortization:	1,123,566	1,647,078	-	2,770,644
Total SBITA, net	5,751,962	162,281	-	5,914,243
Total capital assets being depreciated or amortized	387,465,212	(14,944,411)	(818,501)	371,702,300
Governmental capital assets, net	$ 561,480,537	$ 62,963,740	$ (15,067,392)	$ 609,376,885

	October 1, 2023	Increases	Decreases	September 30, 2024
Business-type activities:				
Capital assets, not being depreciated:				
Land	$ 423,510	$ -	$ -	$ 423,510
Construction in progress	27,956,800	26,086,052	(282,091)	53,760,761
Total capital assets, not being depreciated	28,380,310	26,086,052	(282,091)	54,184,271
Capital assets, being depreciated:				
Buildings	9,958,837	31,536	-	9,990,373
Improvements other than buildings	2,605,705	-	(16,071)	2,589,634
Vehicles, machinery and equipment	37,668,608	3,637,297	(1,218,756)	40,087,149
Infrastructure	245,430,138	871,124	(16,200)	246,285,062
Total	295,663,288	4,539,957	(1,251,027)	298,952,218
Less accumulated depreciation for:				
Building	6,673,376	156,611	-	6,829,987
Improvements other than buildings	1,271,483	101,170	-	1,372,653
Vehicles, machinery and equipment	30,693,188	1,769,306	(1,218,756)	31,243,738
Infrastructure	154,825,709	5,568,902	(2,889)	160,391,722
Total	193,463,756	7,595,989	(1,221,645)	199,838,100
Total assets being depreciated, net	102,199,532	(3,056,032)	(29,382)	99,114,118
Intangible right-to-use assets:				
Lease equipment	13,221	-	-	13,221
Lease land	168,015	-	-	168,015
Total	181,236	-	-	181,236
Less accumulated amortization for:				
Lease equipment	5,288	5,554	-	10,842
Lease land	28,003	84,006	-	112,009
Total	33,291	89,560	-	122,851
Total intangible right-to-use asset, net	147,945	(89,560)	-	58,385
SBITA assets	-	246,263	-	246,263
Less accumulated amortization	-	75,247	-	75,247
Total SBITA, net	-	171,016	-	171,016
Total capital assets being depreciated or amortized	102,347,477	(2,974,576)	(29,382)	99,343,519
Business-type activities capital assets, net	$ 130,727,787	$ 23,111,476	$ (311,473)	$ 153,527,790

Depreciation and amortization expense was charged to functions/programs of the City as follows:

Governmental activities:	
General government	$ 7,613,928
Public safety	5,768,268
Public service	11,764,126
Library	325,364
Parks and recreation	3,746,092
Health	56,034
Total governmental funds	29,273,812
Internal service fund	830,639
Depreciation/amortization expense - governmental activities	$ 30,104,451
Business-type activities:	
Water and sewer	$ 6,425,284
Solid waste	1,335,512
Depreciation/amortization expense - business activities	$ 7,760,796

7 Construction and Purchase Commitments

Outstanding commitments as of September 30, 2024, under authorized construction and purchase contracts as follows.

Governmental activities:	
Capital funds	$ 63,249,476
General fund	1,236,116
Hotel/motel tax fund	388,261
Other governmental funds	14,253,969
Total governmental activities	$ 79,127,822
Business-type activities:	
Water and sewer	$ 25,250,241
Solid waste	674,261
Internal service	57,667
Total business-type activities	$ 25,982,169

Outstanding commitments will be financed by proceeds from annual appropriations, bond issues, federal grants, and from revenues such as participation revenue from other governments or developers and operating revenues dedicated to specific purposes.

8 Interfund Receivables, Payables and Transfers

There were no interfund balances at September 30, 2024.

Individual fund transfers for the fiscal year were as follows:

	Transfers Out				
	Governmental Funds				
	General Fund	Capital Projects	Hotel / Motel Tax	Other Governmental Funds	Total
Transfers in:					
General	$ -	$ -	$ -	$ 700,000	$ 700,000
Debt Service	-	12,358	-	-	12,358
Capital Project	16,860,258	-	1,450,000	300,000	18,610,258
Other Governmental	2,000,261	-	-	-	2,000,261
Business-Type Activities	-	-	-	569,900	569,900
Total	$ 18,860,519	$ 12,358	$ 1,450,000	$ 1,569,900	$ 21,892,777

General Fund Transfers Out:

- $16,860,258 to the Capital Project Fund to be used for future capital improvements and street rehabilitation.
- $2,000,261 to the Other Governmental Funds for funding of economic development ($1,997,766) projects and law enforcement activities ($2,495).

Capital Projects Fund Transfers Out:

- $12,358 to the Debt Service Fund to account for unspent bond proceeds for project funding.

Hotel / Motel Tax Fund Transfers Out:

- $1,450,000 to the Capital Projects Fund to be used for future capital improvements at the performing arts center.

Other Governmental Funds Transfers Out:

- $50,000 to the General Fund from the Child Safety Fund to support the school crossing guard program.
- $650,000 to the General Fund from the Wireless Fund to support the expenses of the 911 Call Center.
- $300,000 to the Capital Project Fund from the Golf Fund for future capital improvements.
- $569,900 to the Water Sewer Fund (BTA) from the Federal Grants Fund for capital improvements.

9 Long-Term Obligations

The following is a summary of financial obligations for the fiscal year ended September 30, 2024:

	Balance beginning of year	Increases	Decreases	Balance end of year	Due within one year
Governmental-type activities:					
General obligation bonds	$ 186,655,000	$ 62,915,000	$ (25,260,000)	$ 224,310,000	$ 26,595,000
Certificates of obligation	99,805,000	4,335,000	(5,990,000)	98,150,000	6,270,000
General obligation bonds from direct borrowings	2,285,000	-	(350,000)	1,935,000	285,000
Bond discounts/premiums (1)	24,194,872	5,498,091	(2,898,918)	26,794,045	2,877,069
Total bonds payable	312,939,872	72,748,091	(34,498,918)	351,189,045	36,027,069
Tax anticipation notes from direct borrowings	5,340,000	-	(3,420,000)	1,920,000	270,000
Financed purchases and other contractual obligations	1,503,014	-	(385,349)	1,117,665	396,662
Lease obligations	6,021,634	797,588	(3,067,229)	3,751,993	1,124,034
SBITA obligations	6,048,098	1,809,361	(1,710,395)	6,147,064	1,745,905
TIF obligations	86,775,295	-	(4,316,751)	82,458,544	-
Arbitrage liability	553,987	3,522,447	(23,991)	4,052,443	312,129
Other postemployment benefits	42,299,824	3,827,304	(3,219,344)	42,907,784	1,923,159
TMRS - pension liability	70,289,875	46,243,735	(71,185,790)	45,347,820	-
Compensated absences	17,112,340	2,248,831	(1,467,208)	17,893,963	1,968,336
Workers' compensation	5,243,271	578,592	(747,685)	5,074,178	585,322
Unpaid claims liability	977,591	14,854,934	(14,727,820)	1,104,705	1,104,705
Total governmental-type long-term liabilities	$555,104,801	$146,630,883	$ (138,770,480)	$562,965,204	$ 45,457,321
Business-type activities:					
General obligation refunding bonds	$ 10,165,000	$ -	$ (2,315,000)	$ 7,850,000	$ 2,235,000
Certificates of obligation	70,240,000	15,295,000	(4,125,000)	81,410,000	4,780,000
Bond discount/premiums (1)	7,810,811	1,216,833	(827,179)	8,200,465	796,593
Total bonds payable	88,215,811	16,511,833	(7,267,179)	97,460,465	7,811,593
Lease obligations	148,356	-	(88,659)	59,697	59,697
SBITA obligations	-	246,263	(85,002)	161,261	79,208
Arbitrage liability	133,284	677,117	(7,680)	802,721	76,737
Other postemployment benefits	6,980,070	660,592	(555,657)	7,085,005	317,556
TMRS - pension liability	12,666,206	8,526,398	(12,831,391)	8,361,213	-
Compensated absences	1,805,970	105,282	(171,338)	1,739,914	191,391
Workers' compensation	82,760	204,233	(82,760)	204,233	204,233
Total business-type long-term liabilities	$110,032,457	$ 26,931,718	$ (21,089,666)	$115,874,509	$ 8,740,415

The City has no unused lines of credit.

(1) All bond discounts/premiums are related to public borrowings.

Governmental Activities:

Bonds issued for the General Government are payable from the levy of property taxes assessed against taxable property within the City.

	Interest Rate %	Issue Date	Maturity Date	Original Issue	Outstanding @ 9/30/2024	Due Within One Year
General Obligation Bonds						
2024 General Obligation	4.00 - 5.00	5/22/2024	2/15/2044	$ 62,915,000	$ 62,915,000	$ 10,885,000
2023 General Obligation	5.00	5/24/2023	2/15/2043	43,885,000	33,250,000	1,075,000
2022 General Obligation	3.25-5.00	5/25/2022	2/15/2042	28,915,000	16,955,000	625,000
2021 Refunding	2.00 - 4.00	5/26/2021	2/15/2041	12,630,000	11,180,000	525,000
2020 Refunding	5.00	2/26/2020	2/15/2030	40,425,000	24,885,000	3,935,000
2019 General Obligation	2.62 - 4.00	4/25/2019	2/15/2039	16,790,000	13,785,000	710,000
2018 General Obligation	3.00 - 5.00	4/25/2018	2/15/2038	38,525,000	30,605,000	1,640,000
2017 General Obligation	3.00 - 4.00	5/04/2017	2/15/2037	19,725,000	15,110,000	900,000
2016A Ref. & Imp.	2.00 - 5.00	4/15/2016	2/15/2036	16,815,000	4,290,000	1,270,000
2015 Refunding	4.00 - 5.00	3/15/2015	2/15/2026	39,185,000	6,090,000	3,270,000
2013 Refunding	1.50 - 5.00	3/15/2013	2/15/2025	18,000,000	1,500,000	1,500,000
Total general obligation bonds - tax exempt					220,565,000	26,335,000
General Obligations - direct borrowings						
2020A General Obligation	Adjustable	2/26/2020	6/15/2029	15,015,000	1,935,000	285,000
Total general obligation bonds - direct borrowings					1,935,000	285,000
Taxable General Obligation Bonds						
2016B Taxable	3.00 - 3.77	4/15/2016	2/15/2036	5,470,000	3,745,000	260,000
Total general obligation bonds - taxable					3,745,000	260,000
Total governmental-type general obligation, taxable and tax exempt bonds					226,245,000	26,880,000

	Interest Rate %	Issue Date	Maturity Date	Original Issue	Outstanding @ 9/30/2024	Due Within One Year
Certificates of Obligations						
2024 Certificates	3.00 - 5.00	5/22/2024	2/15/2044	$ 4,335,000	$ 4,335,000	$ 200,000
2023 Certificates	5.00	5/24/2023	2/15/2043	24,450,000	23,640,000	1,135,000
2023A Certificates	4.25-5.25	5/24/2023	2/15/2043	9,130,000	8,940,000	300,000
2022 Certificates	4.0	5/25/2022	2/15/2030	1,305,000	1,020,000	155,000
2021 Certificates	2.00 - 4.00	5/26/2021	2/15/2041	14,565,000	11,820,000	1,015,000
2020 Certificates	4.00 - 5.00	2/26/2020	2/15/2040	6,055,000	3,845,000	270,000
2019 Certificates	3.00 - 5.00	4/25/2019	2/15/2039	20,990,000	8,245,000	745,000
2018 Certificates	3.13 - 5.00	4/25/2018	2/15/2038	26,290,000	16,470,000	1,025,000
2017 Certificates	2.00 - 5.00	5/04/2017	2/15/2037	20,930,000	13,165,000	960,000
2015A Certificates	2.00 - 5.00	3/15/2015	2/15/2035	3,695,000	325,000	25,000
2013 Certificates	1.50 - 4.00	3/15/2013	2/15/2033	4,290,000	395,000	40,000
2012B Certificates	2.00 - 4.00	3/15/2012	2/15/2032	5,775,000	1,040,000	115,000
Total certificates of obligation-tax exempt					93,240,000	5,985,000
Taxable Certificates of Obligation						
2021A Certificates	Adjustable	5/26/2021	2/15/2041	4,045,000	3,550,000	180,000
2015B Certificates	0.90 - 4.00	3/15/2015	2/15/2035	2,150,000	1,360,000	105,000
Total certificates - taxable					4,910,000	285,000
Total governmental-type certificates of obligation, taxable and tax exempt bonds					98,150,000	6,270,000
Add: unamortized premium					26,854,221	2,880,340
Less: unamortized discount					(60,176)	(3,271)
Total general government bonds and certificates of obligation					$ 351,189,045	$ 36,027,069

Business-Type Activities

Bonds issued for business-type activities are secured by a pledge of the property tax levy of the City, but are self-supporting Obligations which are paid from the respective net revenues of each activity.

	Interest Rate %	Issue Date	Maturity Date	Original Issue	Outstanding @ 9/30/2024	Due Within One Year
Water and Sewer:						
General Obligation Bonds						
2021 Refunding	2.00 - 4.00	5/26/2021	2/15/2041	$ 1,935,000	$ 1,425,000	$ 180,000
2020 Refunding	5.00	2/26/2020	2/15/2030	5,880,000	3,130,000	675,000
2016A Refunding	3.00 - 5.00	4/15/2016	2/15/2028	6,185,000	2,395,000	705,000
2015 Refunding	3.00 - 5.00	3/15/2015	2/15/2026	2,480,000	520,000	295,000
2013 Refunding	1.50 - 5.00	3/15/2013	2/15/2025	2,720,000	205,000	205,000
Total water and sewer general obligation bonds					7,675,000	2,060,000
Certificates of Obligations						
2024 Certificates	3.00 - 5.00	5/24/2024	2/15/2044	13,740,000	13,740,000	295,000
2023 Certificates	5.00	5/24/2023	2/15/2043	13,495,000	13,205,000	465,000
2022 Certificates	4.00	5/25/2022	2/15/2042	12,490,000	11,550,000	555,000
2021 Certificates	2.00 - 4.00	5/26/2021	2/15/2041	13,015,000	11,480,000	580,000
2020 Certificates	4.00-5.00	2/26/2020	2/15/2040	7,920,000	6,715,000	380,000
2019 Certificates	3.00 - 5.00	4/25/2019	2/15/2039	8,240,000	6,650,000	370,000
2018 Certificates	3.125 - 5.00	4/25/2018	2/15/2038	5,940,000	4,390,000	315,000
2017 Certificates	2.00 - 5.00	5/04/2017	2/15/2037	4,440,000	3,065,000	235,000
2016 Certificates	2.00 - 4.00	4/15/2016	2/15/2036	1,900,000	1,165,000	110,000
2015A Certificates	2.00 - 5.00	3/15/2015	2/15/2035	2,305,000	1,500,000	115,000
2013 Certificates	1.50 - 4.00	3/15/2013	2/15/2033	3,025,000	1,575,000	155,000
Total water and sewer certificates of obligation					75,035,000	3,575,000
Total water and sewer general obligation refunding bonds and certificates of obligation					82,710,000	5,635,000
Solid Waste:						
General Obligation Refunding Bonds						
2020 Refunding	5.00	2/26/2020	2/15/2025	765,000	175,000	175,000
Certificates of Obligations						
2024 Certificates	3.00 - 5.00	5/22/2024	2/15/2044	1,555,000	1,555,000	150,000
2023 Certificates	5.00	5/24/2023	2/15/2043	1,930,000	1,750,000	215,000
2022 Certificates	4.00	5/25/2022	2/15/2042	1,175,000	920,000	140,000
2021 Certificates	2.00 - 4.00	5/26/2021	2/15/2041	1,060,000	705,000	130,000
2020 Certificates	4.00 - 5.00	2/26/2020	2/15/2028	720,000	405,000	95,000
2019 Certificates	3.00 - 5.00	4/25/2019	2/15/2039	1,335,000	555,000	175,000
2018 Certificates	4.00 - 5.00	4/25/2018	2/15/2026	1,240,000	360,000	175,000
2017 Certificates	2.00 - 5.00	5/04/2017	2/15/2025	875,000	125,000	125,000
Total solid waste certificates of obligation					6,375,000	1,205,000
Total solid waste general obligation refunding bonds and certificates of obligation					6,550,000	1,380,000
Add unamortized premium					8,209,450	797,696
Less: unamortized discount					(8,985)	(1,103)
Total business-type general obligation refunding bonds and certificates of obligation					$ 97,460,465	$ 7,811,593

Debt Service Requirements

Debt service requirements at September 30, 2024 for General Obligation Bonds and Certificates of Obligation are as follows:

	Governmental Activities				Business-type Activities	
	Bonds		Bonds Direct Borrowing		Bonds	
	Principal	Interest	Principal	Interest	Principal	Interest
Year ending September 30:						
2025	$ 32,865,000	$ 13,709,226	$ 285,000	$ 101,588	$ 7,015,000	$ 3,708,901
2026	21,600,000	11,657,475	295,000	86,625	6,690,000	3,225,829
2027	18,250,000	10,714,725	315,000	71,138	6,450,000	2,921,754
2028	18,705,000	9,851,506	330,000	54,600	6,160,000	2,635,544
2029	19,370,000	8,978,648	345,000	37,275	6,025,000	2,374,799
2030-2034	86,665,000	33,794,597	365,000	19,163	26,040,000	8,569,008
2035-2039	83,180,000	17,134,444	-	-	20,190,000	4,144,134
2040-2044	41,825,000	4,216,985	-	-	10,690,000	993,700
Totals	$ 322,460,000	$110,057,606	$ 1,935,000	$ 370,389	$ 89,260,000	$ 28,573,669

General Obligation Bonds

General Obligation bonds are secured by ad valorem taxes levied by the City. As part of the City's debt management practices, the City defeases certain debt issues and places the proceeds in an irrevocable trust for all future debt service payments on the previously issued bonds. Accordingly, the related trust assets and liabilities for the defeased bonds are not included in the City's financial statements. At September 30, 2024 there were no defeased bonds outstanding.

On May 22, 2024, the City issued $62,915,000 of General Obligation Bonds, Series 2024 with a true interest cost of 3.86%. The proceeds from the sale of the Bonds will be used for (i) acquiring, constructing, improving and maintaining streets, thoroughfares and alleyways within the City, traffic signalization and signage and traffic management equipment; (ii) constructing, improving, renovating, expanding and equipping municipal public buildings and the acquisition of land therefore, to-wit: renovating City Hall, the Richardson Public Library, Fire Station 5 and the Richardson Animal Shelter; (iii) constructing, improving, extending, repairing sidewalks and related improvements, (iv) planning, designing, constructing, improving, renovating, repairing, replacing, and expanding flood protection and storm drainage facilities and improvements, erosion control, including necessary and appropriate relocation of utilities and the acquisition of land related thereto, (v) designing, acquiring, constructing, renovating, improving, and equipping the City parks (including passive parks and open space improvements), and acquiring lands, interests in lands, and rights-of-way related thereto, and (vi) paying the costs of issuance in connection with issuing the Bonds.

Certificates of Obligation

Certificates of Obligation are secured by ad valorem taxes levied by the City and from a limited pledge of the net revenues of the City's Waterworks and Sewer System. On May 22, 2024, the City issued $19,630,000 of Series 2024 Combination Tax and Revenue Certificates of Obligation with a true interest cost of 3.81% ($1,525,000 for fire equipment, $2,810,000 for library renovations, $13,740,000 for Water/Sewer, and $1,555,000 for Solid Waste). Poceeds from the sale of the Series 2024 Certificates will be used for (i) acquiring vehicles and equipment for the fire and solid waste departments, (ii) improving and extending the City’s water and sewer system, and (iii) renovating the Public Library.

General Obligations and Certificates of Obligation - Direct Borrowings

The City’s outstanding General Obligation Bonds and Certificates of Obligation from direct borrowings related to governmental activities of $1,935,000 are balloon instruments with the entire principal due on the final maturity date. They are subject to optional redemption in whole or in part, at the City’s discretion, on any date at the redemption price of par plus accrued interest to the date of redemption. Amortization shown in the preceding table is based on the City’s current debt issuance plan and all payments made to date.

Tax Anticipation Note - Direct Borrowing

On May 26, 2021 the City issued a $5,855,000 Tax Anticipation Note (Taxable) with a true interest cost of 1.15%. The Note was

issued for the benefit of the Capital Fund to provide proceeds for constructing and equipping a parking facility for the City's performing arts center. The Note matures on February 15, 2028 and has stated maturities over the life of the note, with the majority of the principal due at final maturity. Similar to the City's direct borrowings, the Note is subject to redemption prior to maturity, at the option of the City, in whole or in part, on February 15, 2023, or any day thereafter at the redemption price of par plus accrued interest to the date of redemption. The Note is not callable by the lender. The outstanding balance as September 30, 2024 is $1,920,000.

The following is a schedule of future debt maturities relating to the tax anticipation note as of September 30, 2024:

	Principal	Interest	Total
Fiscal year ending September 30, 2024:			
2025	$ 270,000	$ 20,528	$ 290,528
2026	275,000	17,394	292,394
2027	280,000	14,203	294,203
2028	1,095,000	6,296	1,101,296
Totals	$ 1,920,000	$ 58,421	$ 1,978,421

Ratings

Standard and Poor’s Ratings Services assigned its "AAA" rating with a stable outlook, to the City’s Combination Tax and Revenue Certificates of Obligation Series 2024 and the City's General Obligation Bonds Series 2024. Moody's Investors Service (Moody's) also assigned it "AAA" rating, with a stable outlook to each of these issues.

Bondholder Remedies

In an event of default in connection with (i) failure to make payment of the principal of or interest on any of the bonds when due and payable or (ii) the performance or observance of any other covenants, conditions or obligations in the Ordinance, the Holder of any of the City's bonded debt shall be entitled to a writ of mandamus issued by a court of proper jurisdiction against the governing body of the City and other officers of the City to observe and perform any covenant, condition or obligation prescribed in the Ordinance. The City's bonded debt does not contain any acceleration provisions in the event of default or termination.

Compensated Absences, Workers' Compensation, Post-Employment Benefits, and Arbitrage Rebate Liability

Governmental-type activities record liabilities for compensated absences, workers’ compensation claims, retiree post-employment costs, and arbitrage rebate at the government-wide statement level. Generally, the liabilities for compensated absences, workers’ compensation claims, and retiree postemployment costs are paid from the General Fund. Liabilities for the Business-type activities are recorded and liquidated in the fund that incurs the liability.

10. Direct Financed Purchases and Other Contractual Obligations

The following is a summary of other contractual obligation transactions of the City for the fiscal year ended September 30, 2024:

	Governmental-type Activities					
	Stryker	Utility Vehicle	Gas Golf Carts	Police Academy	Texas Comptroller of Public Accounts	Total
Balance at October 1, 2023	$ 960,612	$ 33,742	$ 183,096	$ 30,278	$ 295,286	$ 1,503,014
Payments	(225,989)	(10,664)	(21,069)	(14,815)	(112,812)	(385,349)
Balance at September 30, 2024	$ 734,623	$ 23,078	$ 162,027	$ 15,463	$ 182,474	$ 1,117,665

Financed Purchases

The City has entered into the following financed purchases:

Agreement with Stryker in July 2020, amended in August 2022, for fire/EMT equipment. The final annual payment of $265,069 is scheduled to be made in October 2027. The cost of the asset is $1,110,646. Accumulated depreciation is $609,685 and the related book value is $500,961 at September 30, 2024.

Agreement with GM Financial in February 2022, for a utility vehicle. The final annual payment of $12,477 is scheduled to be made in February 2026. The cost of the asset is $56,339. Accumulated depreciation is $35,212 and the related book value is $21,127 at September 30, 2024.

Agreement with Yamaha in January 2022, for gas golf carts. Annual payments of $28,320 with a final balloon payment of $107,712 scheduled for March 2027. The cost of the asset is $214,719 per agreement. Accumulated depreciation is $16,401 and the related book value is $195,318 at September 30, 2024.

The following is a schedule of the payments required under financed purchases at September 30, 2024:

Fiscal year ending, September 30	Stryker	Utility Vehicle	Gas Golf Carts
2025	$ 265,069	$ 12,476	$ 28,321
2026	265,069	12,477	28,320
2027	265,069	-	119,512
Total minimum lease payments	795,207	24,953	176,153
Less amount representing interest	(60,584)	(1,875)	(14,126)
Present value of minimum lease payments	$ 734,623	$ 23,078	$ 162,027

Police

The City entered into an agreement with the City of Plano to develop a police academy to be used as a joint training facility. The City of Richardson and the City of Plano share in the costs of improvements to the facilities.

The following is a schedule of future debt maturities relating to these contractual obligations as of September 30, 2024:

	Principal	Interest	Total
Fiscal year ending September 30:			
2025	$ 15,463	$ 773	$ 16,236

Other Obligations

During FY 2009 the Texas Comptroller of Public Accounts notified the City regarding an error in sales tax payments made to the City. This error was the result of a local business reporting and paying taxes incorrectly to the State Comptroller from January 1998 through December 2005. The local sales tax overpayment to the City in the amount of $2,143,331 was recorded as a liability and a reduction of sales tax revenue. The Comptroller's office had set up a 20-year payout arrangement, but the life of the obligation has been reduced by additional payments and adjusted due to the Comptroller suspending payments from April 2020 through January 2021 to help Texas cities deal with the COVID-19 pandemic and potential negative impacts on the economy. Payments of $112,812 were made during the fiscal year, and the balance at September 30, 2024 was $182,474.

11 Lease Obligations

The City has entered into multiple lease agreements as lessee. The leases allow the right-to-use of buildings, land, vehicles, and equipment over the term of the lease. The City is required to make periodic principal and interest payments using either its incremental borrowing rate or the interest rate stated/implied within the leases. Effective October 1, 2021, the City implemented GASB Statement No. 87, Leases. At implementation of this statement and the commencement of leases beginning after October 1, 2021, the City initially measured the lease liability at the present value of payments expected to be made during the remaining lease term. The lease rate, term and ending lease liability are as follows:

	Governmental Activities			
	Interest Rate %	Beginning Balance	Lease Term in Months	Ending Balance
Governmental activities:				
Vehicle	0.31	$ 2,998	24	$ -
Electric golf carts	0.298-6.16	56,014	31-61	461,525
Land	0.298	897,326	41	-
Buildings	2.26	4,847,361	50	3,102,281
Internal service funds:				
Postal equipment	2.186	28,500	60	21,126
Copiers	0.193-0.298	189,435	16-18	167,061
Total governmental activities		$ 6,021,634		$ 3,751,993

	Business Type Activities			
	Interest Rate %	Beginning Balance	Lease Term in Months	Ending Balance
UTD Land	2.43	$ 140,594	24	$ 57,411
Computer equipment	0.2980	7,762	29	2,286
Total busines type activities		$ 148,356		$ 59,697

The future principal and interest payments as of September 30, 2024, were as follows:

	Governmental Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	$ 1,124,034	$ 101,090	$ 1,225,124
2026	1,197,886	65,827	1,263,713
2027	1,272,040	28,287	1,300,327
2028	149,695	4,207	153,902
2029	8,338	237	8,575
Total	$ 3,751,993	$ 199,648	$ 3,951,641

	Business Type Activities		
Fiscal Year	Principal Payments	Interest Payments	Total Payments
2025	$ 59,697	$ 526	$ 60,223
Total	$ 59,697	$ 526	$ 60,223

12 SBITA

The City has entered into multiple Subscription-Based Information Technology (SBITA) agreements as lessee. The SBITAs allow the right-to-use of subscription-based software over the term of the lease. The City is required to make periodic principal and interest payments using either its incremental borrowing rate or the interest rate stated/implied within the SBITAs. The City initially measures the SBITA liability at the present value of payments expected to be made during the remaining SBITA term. The SBITA rate, term and ending SBITA liability are as follows:

	Governmental Activities		
	Interest Rate %	Liability at Commencement	Ending Balance
Governmental Activities:			
Axon Enterprise	3.12 - 3.71 %	$ 1,089,968	$ 423,147
Flock Safety	2.33	269,762	194,862
Microsoft - SHI	3.59	1,419,510	929,552
Internal Service Funds			
Tyler Technologies	3.12	5,645,202	4,599,503
Total		$ 8,424,442	$ 6,147,064

	Business Type Activities		
	Interest Rate %	Liability at Commencement	Ending Balance
Environmental Systems Research Institute	3.59 %	$ 246,263	$ 161,261
Total		$ 246,263	$ 161,261

The future principal and interest payments as of September 30, 2024, were as follows:

	Governmental Activities		
	Principal Payments	Interest Payments	Total Payments
2025	$ 1,745,906	$ 194,742	$ 1,940,648
2026	1,443,810	138,552	1,582,362
2027	1,000,623	91,781	1,092,404
2028	963,328	61,076	1,024,404
2029	993,397	31,007	1,024,404
Total	$ 6,147,064	$ 517,158	$ 6,664,222

	Business Type Activities		
	Principal Payments	Interest Payments	Total Payments
2025	$ 79,208	$ 5,791	$ 84,999
2026	82,053	2,947	85,000
Total	$ 161,261	$ 8,738	$ 169,999

13 TIF Obligations

The City has established three tax increment financing districts to facilitate new development and redevelopment within the community. Each district has a base year, and incremental property tax revenues exceeding the base year amount are collected into a special revenue fund. Additionally, other taxing entities may participate in the TIF districts. Each participating entity's governing body sets the percentage of increment and terms that they will contribute to the TIF fund.

The City Council, upon recommendation of the Council-appointed TIF Board for each district, can enter into economic grant agreements with developers which utilize TIF funds. Unlike other contractual obligations, TIF grants are subject to availability of TIF funds, and any balance owed to a developer at the termination of the TIF district will no longer be considered an obligation of the City.

The following table summarizes key statistics of each of the City's TIF districts.

	DISTRICT		
	1	2	3
Tax Year Established	2006	2011	2011
City's Participation	100%	66.67%	66.67%
Other Tax Entities Participating	Dallas County 65%	Collin County 50%	Collin County 50%
Tax Year Terminates	2031	2036	2036

An infrastructure reimbursement grant and development agreement was entered into with the City and Centennial Park Richardson, Ltd. in September 2007. This agreement provides for an economic development grant of $3,299,865 and a construction reimbursement grant of $5,912,299 plus 7% interest compounded annually until paid in full or termination of the agreement. The company has qualified for both grants. Funding for this grant is contingent upon the availability of tax revenues in the TIF District #1 from Sub Area No. 2. The City has previously paid the economic development grant in full. Any remaining balance is related to the construction reimbursement grant. An interest payment of $949,716 was made during the fiscal year.

An infrastructure reimbursement grant and development agreement was entered into with the City and Bush/75 Partners, LP in December 2012. The Agreement was subsequently assigned to BCS TIF Zone Two, LP, the ultimate developer for the project. The agreement provides for the reimbursement of infrastructure projects with an estimated value of $76,336,000 plus 5% interest annually until paid in full or termination of the agreement. The company has qualified for grants of $57,084,738 to date. Funding is contingent upon the availability of tax revenues in TIF District #2. Interest payments of $1,809,343 and a principal payment of $3,917,450 were made during the fiscal year.

An infrastructure reimbursement grant and development agreement was entered into with the City and BC Station Partners, L.P. in March 2015. This agreement provides for approximately $49,158,000 plus 5% interest annually until paid in full or termination of the agreement. The company has qualified for grants of $33,880,733 to date. Funding is contingent upon the availability of tax revenues in TIF District #3. An interest payment of $1,232,198 was made during the fiscal year.

An economic development agreement was entered into with the City and AGF Greenville II, Ltd. in April 2015. This agreement provides for a maximum grant amount of $5,500,000 plus 4% interest annually until paid in full or termination of the agreement. The agreement provides for the reimbursement of eligible costs for the acquisition of the land and demolition of existing improvements on the land. The company has qualified for the full amount of the grant. Funding is contingent upon the availability of tax revenues in the TIF District #1 from Sub Area No. 1B and Sub Area No. 4. An interest payment of $156,097 and a principal payment of $279,830 were made during the fiscal year.

An economic development agreement was entered into with the City and SAF 100 N. Central Ltd in March 2017. The Agreement was subsequently assigned to Richardson Gateway, LLC. This agreement provides for a maximum grant amount of $7,000,000 plus 5.25% interest annually until paid in full or termination of the agreement. The agreement provides for the reimbursement of eligible costs for the acquisition of the land and demolition of existing improvements on the land. The company has qualified for the full amount of the grant. Funding is contingent upon the availability of tax revenues in TIF District #1 from Sub Area No. 1A and Sub No. 1B. An interest payment of $297,707 and a principal payment of $119,471 were made during the fiscal year.

The following is a summary of the principal balance of the infrastructure reimbursement grants and development agreements associated with the Tax Increment Financing Districts:

	TIF DISTRICT 1			TIF DISTRICT 2	TIF DISTRICT 3	
	Centennial Park	AGF Greenville II, Ltd.	Richardson Gateway LLC	BCS TIF Zone 2	BC Station Partners, L.P.	Total
Balance at October 1, 2023	$ 5,912,299	$ 4,046,552	$ 5,624,399	$ 37,311,312	$ 33,880,733	$ 86,775,295
Additions/adjustments	-	(279,830)	(119,471)	(3,917,450)	-	(4,316,751)
Balance at September 30, 2024	$ 5,912,299	$ 3,766,722	$ 5,504,928	$ 33,393,862	$ 33,880,733	$ 82,458,544

14 Risk Management

The City maintains a self-insured program for workers' compensation. The City utilizes TRISTAR Risk Management as the third party administrator for this program. During fiscal year 2023-2024, a total of $237,259 was paid in administrative costs that were recorded as an expenditure/expense in the General Fund, Proprietary Funds and Central Services Fund. In addition, claims and benefits paid in the amounts of $499,556 and $278,985 have been recorded as expenditures/expenses in the Governmental Funds and Proprietary Funds, respectively.

The City also maintains a self-insured medical program known as "CORPlan" which is accounted for as an Internal Service Fund. This program provides participants with health benefit coverage. The City purchases commercial insurance for claims in excess of $350,000 for each employee in a plan year. In fiscal year 2023-2024, the City did not receive any refunds from the commercial insurance carrier.

All funds with full-time employees participate in the program and make payments to the Insurance Fund based on estimates of the amounts needed to pay prior and current year claims. Accounting standards require that a liability for claims be reported if information prior to the issuance of the financial statements indicates that it is probable that a liability has been incurred at the date of the financial statements and that the amount of the loss can be reasonably estimated. The City's consultant estimated the liability to be $1,104,705 for unpaid claims and claim adjustment expenses at September 30, 2024. The liability for unpaid claims includes

the effects of specific incremental claims, adjustment expenses, and if probable and material, salvage and subrogation. The City currently does not discount its unpaid claims liabilities.

Reconciliation of Unpaid Claims Liabilities

	2024	2023
Incurred claims and claim adjustment expenses:		
Unpaid claims and claim adjustment expenses at beginning of year	$ 977,591	$ 930,186
Incurred claims and claim adjustment expenses:		
Provision for insured events of the current year	15,832,525	14,204,069
Increase (decrease) in prior year provision	(411,036)	(280,803)
Total incurred claims and claim adjustment expenses	16,399,080	14,853,452
Payments:		
Claims and claim adjustment expenses attributable to insured events of the current year	14,727,820	13,226,478
Claims and claim adjustment expenses attributable to insured events of prior years	566,555	649,383
Total payments	15,294,375	13,875,861
Total unpaid claims and claim adjustment expenses at end of year	$ 1,104,705	$ 977,591

15 Interfund Charges

The City allocates a percentage of the salaries and wages and related costs of personnel who perform general and administrative services for various funds but are paid from the General Fund. During the year ended September 30, 2024, the City allocated $10,143,972 for such services.

16 Tax Abatement and Economic Incentives

The City enters into economic development agreements designed to promote development and redevelopment within the City, spur economic improvement, stimulate commercial activity, generate additional sales tax and enhance the property tax base and economic vitality of the City. These programs abate or rebate property taxes and sales tax, and also include incentive payments and reductions in fees that are not tied to taxes. The City's economic development agreements are authorized under Chapter 380 of the Texas Local Government Code, Chapter 311 (Tax Increment Financing Act), and 312 (Property Redevelopment and Tax Abatement Act) of the Texas Tax Code. Recipients may be eligible to receive economic assistance based on the employment impact, economic impact or community impact of the project requesting assistance. Recipients receiving assistance generally commit to building or remodeling real property and related infrastructure, demolishing and redeveloping outdated properties, expanding operations, renewing facility leases, or bringing targeted businesses to the City. Agreements generally contain recapture provisions which may require repayment or termination if recipients do not meet the required provisions of the economic incentives.

The City has four categories of economic development agreements:

- Home Improvement Incentive Program – The purpose of this program is to provide an economic incentive under Chapter 380 of the Texas Local Government Code to encourage reinvestment in residential neighborhoods. The property owner commits to making at least $20,000 in improvements to the residential property within 24 months of entering into the agreement. A one-time incentive payment equal to 10 times the amount of the increase in City taxes will be paid to the property owner based on the property's pre-construction and post-construction appraised value. The City provided $1,191,585 in incentive payments under this program in fiscal year 2024.

- Tax Abatements – Tax Abatements under Chapter 312 of the Texas Tax Code allow the City to designate tax reinvestment zones and negotiate tax abatement agreements with applicants. These abatement agreements authorize the appraisal districts to reduce the assessed value of the taxpayer's property by a percentage specified in the agreement, and the taxpayer will pay taxes on the lower assessed value during the term of the agreement. Property taxes abated under this program were $8,112,357 in

fiscal year 2024.

- General Economic Development – The City enters into various agreements under Chapter 380 of the Texas Local Government Code to stimulate economic development. Agreements may rebate a flat amount or percentage of property taxes or sales tax received by the City, may result in fee reductions such as utility charges or building inspection fees, or make lump sum payments to offset moving expenses, tenant finish-outs, demolition costs, infrastructure reimbursements, redevelopment costs or other expenses. For fiscal year 2024, the City rebated $3,322,249 in taxes, reduced fees by $12,503,522 and made incentive payments of $1,292,273 under these agreements.

- Tax Increment Financing – The City has adopted three Tax Increment Financing zones (TIFs) under Chapter 311 of the Texas Tax Code. The City enters into economic development and infrastructure reimbursement agreements which earmark TIF revenues for payment to developers and represent obligations over the life of the TIF or until all terms of the agreements have been met. These obligations are more fully described in Note 13. Additionally, the City enters into general economic development agreements under Chapter 380 of the Texas Local Government Code which are funded with TIF resources. The City made $8,761,812 in payments for TIF obligations, and $1,155,000 in TIF incentives, from general TIF resources.

17 Contingent Liabilities

Litigation

Various claims and lawsuits are pending against the City. In the opinion of City management and the City's attorneys, the potential loss on all claims and lawsuits will not be significant to the City's financial statements.

Grant Audit

The City receives federal and state grants for specific purposes that are subject to review and audit by federal and state agencies. Such audits could result in a request for reimbursement by the federal and state agencies for expenditures disallowed under the terms and conditions of the grant agreements of the appropriate agency. In the opinion of the City management, such disallowance, if any, will not be significant to the City's financial statements.

18 Other Postemployment Benefits (OPEB)

Retiree Health Benefits

Plan Description

The City of Richardson single-employer, defined benefit OPEB plan, CORPlan, is administered by the City and provides health-care benefits, in accordance with City policy. All employees who are vested in the City's pension plan, Texas Municipal Retirement System, are eligible for these benefits with 20 years or more of service, regardless of age, or with 5 years of service at age 60 and above. Coverage is also available to dependents or surviving spouses of retirees. Coverage for retirees age 65 and over is provided through a separate, fully insured plan. The City subsidizes medical, dental, and hospitalization costs incurred by retirees and their dependents. Recommendations for plan benefits are presented to City Council for their approval during the annual budget process. The plan is accounted for in the City's Insurance fund as well as the Water and Sewer, Solid Waste, and Central Services funds. A separate financial statement is not issued for the plan. As of September 30, 2024 there are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

Employees covered by benefit terms

At the December 31, 2023 measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefit payments	310
Active employees	949
	1,259

Contributions

Effective January 1, 2014, the City provides a $200 per month, post-65 subsidy to retirees with 20 or more years of City service. This amount is capped at that level by council action. Sample contribution rates under the City's health plans for retirees under age 65 and their dependents are based on the length of service of the retiree as shown below.

	"Green Plan" - HDHP (w/HSA)		
Years of service	Under 15	15 - 19	20+
Retiree only	$ 449	$ 780	$ 928
Retiree/spouse	891	1,561	1,856
Surviving spouse	765	1,297	1,531
Retiree/family	1,052	2,109	2,552

	"Red Plan" - Traditional PPO		
Years of service	Under 15	15 - 19	20+
Retiree only	$ 558	$ 962	$ 1,103
Retiree/spouse	1,083	1,864	2,206
Surviving spouse	929	1,544	1,820
Retiree/family	1,277	2,511	3,033

Total OPEB Liability

The City's Total OPEB Liability was determined by an actuarial valuation performed on December 31, 2022 and the measurement date of December 31, 2023.

Actuarial assumptions

Actuarial valuations involve the use of estimates and assumptions about the probability of events far into the future, including, but not limited to, assumptions about length of employee service, mortality rates, and future costs of healthcare. The valuation will be updated at least every two years and actual results will be compared with past expectations. As a result of these comparisons, new estimates and assumptions will be made about future results of the plan. Valuations are made based on the benefits in place at the time of the valuation. Any changes in the benefits offered or the contribution rates would impact future valuations. The demographic assumptions are based on the assumptions that were developed for the defined benefit pension plan in which the City participates, the Texas Municipal Retirement System (TMRS). Actuarial techniques include smoothing mechanisms that take a long-term approach in the valuation of assets and liabilities of the plan and are designed to reduce short-term volatility in the measurement of these assets and liabilities.

The actuarial assumptions used to value the liabilities are summarized below:

Actuarial Cost Method	Individual Entry-Age Normal
Discount Rate	3.77% as of December 31, 2023
Inflation	2.50%
Salary Increases	3.60% - 11.85%
Health Care Trend Rate	7.00%, declining to 4.25% after 15 years

Participation rate assumptions for retirees who choose to receive health care benefits is based on years of City service. The election rate for retirees with less than 15 years of service is 0%, and from 15 to 19 years of service the election rate is 15%. For retirees with 20 years or greater of service, the election rate is 45% if retiring before age 50 and 70% at age 50 or above.

Demographic assumptions are based on the experience study conducted by TMRS for the four-year period ending December 31, 2022. Salary increases were based on a service-related table. Mortality rates for active members, retirees, and beneficiaries were based on the gender-distinct 2019 Municipal Retirees of Texas mortality tables. The rates are projected on a fully generational basis using the ultimate mortality improvement rates in the MP tables published through 2019 to account for future mortality improvements.

Discount Rate

The discount rate used to measure the Total OPEB Liability was 3.77%. The discount rate should equal the tax-exempt municipal bond rate based on an index of 20-year general obligation bonds with an average AA credit rating as of the measurement date. For the purpose of this valuation, the municipal bond rate is 3.77% (based on the daily rate closest to but not later than the measurement date of the Fidelity "20-Year Municipal GO AA Index").

The discount rate was 4.05% as of the prior measurement date.

Sensitivity of the Discount Rate and the Health Care Cost Trend Rate

The following table presents the sensitivity of the Total OPEB Liability to changes in the discount rate when calculating it at 1-percentage-point-lower (2.77%) and 1-percentage-point-higher (4.77%).

Sensitivity of the Total OPEB Liability to Changes in the Discount Rate

1% Decrease 2.77%	Current Single Rate Assumption 3.77%	1% Increase 4.77%
$ 54,988,972	$ 49,992,789	$ 45,544,521

The following table presents the sensitivity of the Total OPEB Liability to changes in the health care trend rate when calculating it at 1-percentage-point-lower (6.00%) and 1-percentage-point-higher (8.00%).

Sensitivity of the Total OPEB Liability to Changes in the Health Care Trend Rate

1% Decrease 6.00%	Current Single Rate Assumption 7.00%	1% Increase 8.00%
$ 45,477,869	$ 49,992,789	$ 55,366,553

Schedule of Changes in Total OPEB Liability

	Total OPEB Liability
Beginning balances	$ 49,279,894
Changes for the year:	
Service cost	2,042,904
Interest on the Total OPEB Liability	1,985,132
Differences between expected and actual experience	459,860
Changes in assumptions	(1,203,505)
Benefit payments	(2,571,496)
Net changes	712,895
Ending balance	$ 49,992,789

OPEB Expense and Deferred Outflows/(Inflows) of Resources

For the year ended September 30, 2024, the City recognized $3,091,751 for OPEB expense. Deferred outflows of resources and deferred inflows of resources related to OPEB are from the below sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Differences between expected and actual experience	$ 819,053	$ (3,677,206)
Changes of assumptions	2,774,218	(8,208,175)
Contributions subsequent to the measurement date	944,569	-
Total	$ 4,537,840	$ (11,885,381)

Of the $4,537,840 total for deferred outflows of resources, $944,569 from City contributions made subsequent to the measurement date will be recognized as a reduction of the net OPEB liability in the fiscal year ending 9/30/2025. The remainder of the total net deferred outflows/inflows of resources, $(8,292,110) will be recognized in OPEB expense as follows:

Fiscal Year	Net Deferred outflows (inflows) of resources
2025	$ (938,612)
2026	(1,316,287)
2027	(1,406,601)
2028	(1,761,389)
2029	(2,020,719)
Thereafter	(848,502)
Total	$ (8,292,110)

COBRA Benefits

Under the Consolidated Omnibus Budget Reconciliation Act (COBRA), the City makes health care benefits available to eligible former employees and eligible dependents. The federal government outlines certain requirements for this coverage. The premium plus a two percent administration fee is paid in full by the insured on or before the tenth (10th) day of the month for the actual month covered. This program is offered for 18 months after the employee's termination date. The City makes no contribution under this program. There were no participants in the program as of September 30, 2024.

19 Pension Benefits

Plan Description

The City of Richardson participates as one of 919 plans in the defined benefit cash-balance plan administered by the Texas Municipal Retirement System (TMRS). TMRS is a statewide public retirement plan created by the State of Texas and administered in accordance with the TMRS Act, Subtitle G, Title 8, Texas Government Code (the TMRS Act) as an agent multiple-employer retirement system for employees of Texas participating cities. The TMRS Act places the general administration and management of TMRS with a six-member, Governor-appointed Board of Trustees; however, TMRS is not fiscally dependent on the State of Texas. TMRS issues a publicly available Annual Comprehensive Financial Report (Annual Report) that can be obtained at www.tmrs.com.

All eligible employees of the city are required to participate in TMRS.

Benefits Provided

TMRS provides retirement, disability, and death benefits. Benefit options are adopted by the governing body of the city, within the options available in the state statutes governing TMRS.

At retirement, the benefit is calculated as if the sum of the employee's contributions, with interest, and the city-financed monetary credits with interest were used to purchase an annuity. Members may choose to receive their retirement benefit in one of seven payments options. Members may also choose to receive a portion of the employee's contributions as a Partial Lump Sum Distribution in an amount equal to 12, 24, or 36 monthly payments, which cannot exceed 75% of the member's deposits and interest.

Plan provisions for the City are as follows:

Employee deposit rate	7% of Earnings
City matching rate	200%
Vesting period	5 Years
Retirement years (age/years of service)	60/5, Any/20
Updated service credit	50% (Repeating)
Annuity increase (to retirees)	50% of the change in CPI (Repeating)

Additional information related to the TMRS Plan is located in the TMRS ACFR.

tmrs.com/uploads/files/general/down/pubs/ACFR_2023/ACFR_2023.pdf.

Employees covered by benefit terms

At the December 31, 2023 valuation and measurement date, the following employees were covered by the benefit terms:

Inactive employees or beneficiaries currently receiving benefits	954
Inactive employees entitled to but not yet receiving benefits	614
Active employees	993
Total	2,561

Contributions

The contribution rates for employees in TMRS are either 5%, 6% or 7% of employee gross earnings, and the city matching percentages are either 100%, 150% or 200%, both as adopted by the governing body of the city. Under the state law governing TMRS, the contribution rate for each city is determined annually by the actuary, using the Entry Age Normal (EAN) actuarial cost method. The actuarially determined rate is the estimated amounts necessary to finance the cost of benefits earned by employees during the year, with an additional amount to finance any unfunded accrued liability.

Employees for the City of Richardson were required to contribute 7% of their annual gross earnings during the fiscal year. The contribution rates for the City of Richardson were 15.08% and 16.25% in calendar years 2023 and 2024, respectively. The City's contributions to TMRS for the year ended September 30, 2024, were $15,387,085 which matched the required contributions.

Net Pension Liability

The City's Net Pension Liability (NPL) was measured as of December 31, 2023, and the Total Pension Liability (TPL) used to calculate the Net Pension Liability was determined by an actuarial valuation as of that date.

Actuarial assumptions

The Total Pension Liability in the December 31, 2023 actuarial valuation was determined using the following assumptions:

Inflation	2.50% per year
Overall payroll growth	3.6% to 11.85% including inflation
Investment Rate of Return	6.75% net of pension plan investment expense, including inflation

Salary increases are based on a service-related table. Mortality rates for active members are based on the PUB(10) mortality tables with 110% of the Public Safety table used for males and 100% of the General Employee table used for females. Mortality rates for healthy retirees and beneficiaries are based on the Gender-distinct 2019 Municipal Retirees of Texas mortality tables. Male rates are multiplied by 103% and female rates are multiplied by 105%. The rates for actives, healthy retirees and beneficiaries are projected on a fully generational basis by the most recent Scale MP-2021 to account for future mortality improvements. For disabled annuitants, the same mortality tables for healthy retirees are used with a 4-year set-forward for males and a 3-year set-forward for females. In addition, a 3.5% and 3.0% minimum mortality rate is applied, for males and females respectively, to reflect the impairment for younger members who become disabled. The rates are projected on a fully generational basis by the most recent Scale MP2021 to account for future mortality improvements subject to the 3% floor.

The actuarial assumptions were developed primarily from the actuarial investigation of the experience of TMRS over the four-year period from December 31, 2018 to December 31, 2022. The assumptions were adopted in 2023 and first used in the December 31, 2023, actuarial valuation. The post-retirement mortality assumption for Annuity Purchase Rates (APRs) is based on the Mortality Experience Investigation Study covering 2009 through 2011 and dated December 31, 2013. Plan assets are managed on a total return basis with an emphasis on both capital appreciation as well as the production of income to satisfy the short-term and long-term funding needs of TMRS.

The long-term expected rate of return on pension plan investments was determined using a building block method in which best estimate ranges of expected future real rates of return (expected returns, net of pension plan investment expense and inflation) are developed for each major asset class. These ranges are combined to produce the long-term expected rate of return by weighting the expected future real rates of return by the target asset allocation percentage and by adding expected inflation. The target allocation and best estimates of arithmetic real rates of return for each major asset class are summarized in the following table:

Asset Class	Target Allocation	Long-Term Expected Real Rate of Return (Arithmetic)*
Global Public Equity	35.00 %	6.70
Core Fixed Income	6.00	4.70
Non-Core Fixed Income	20.00	8.00
Public and Private Markets	12.00	8.00
Real Estate	12.00	7.60
Hedge Funds	5.00	6.40
Private Equity	10.00	11.60
Total	100.00 %	

*Net of inflation assumption.

Discount Rate

The discount rate used to measure the Total Pension Liability (Asset) was 6.75%. The projection of cash flows used to determine the discount rate assumed that employee and employer contributions will be made at the rates specified in statute, and was projected over a period of 100 years. Based on that assumption, the pension plan's Fiduciary Net Position was projected to be available to make all projected future benefit payments of current active and inactive employees. Therefore, the long-term expected rate of return on pension plan investments was applied to all periods of projected benefit payments to determine the Total Pension Liability.

Sensitivity of Discount Rate

The following table presents the sensitivity of the Net Pension Liability (Asset) to changes in the discount rate when calculating it at 1-percentage-point-lower (5.75%) and 1-percentage-point-higher (7.75%).

Sensitivity of the Net Pension Liability (Asset) to Changes in the Discount Rate		
1% Decrease 5.75%	Current Single Rate Assumption 6.75%	1% Increase 7.75%
$135,706,844	$53,709,033	$(14,616,451)

Pension Plan Fiduciary Net Position

For purposes of measuring the net pension liability, deferred outflows of resources and deferred inflows of resources related to pensions, and pension expense, information about the Fiduciary Net Position of TMRS (including additions to/deductions from the TMRS's Fiduciary Net Position) have been determined on the same basis as they are reported by TMRS. For this purpose, plan contributions are recognized in the period that compensation is reported for the employee, which is when contributions are legally due. The Pension Plan Trust Fund is maintained on the accrual basis of accounting. Benefit payments (including refunds of employee contributions) are recognized when due and payable in accordance with the benefit terms. Investments are reported at fair value. Detailed information about the pension plan's Fiduciary Net Position is available in a separately-issued TMRS financial report. That report may be obtained at www.tmrs.com.

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Current Period

	Increase / (Decrease)
Total pension liability:	
Service Cost	$ 13,522,658
Interest (on the Total Pension Liability)	42,463,550
Difference between expected and actual experience	3,412,046
Change of assumptions	(5,040,505)
Benefit payments, including refunds of employee contributions	(33,632,176)
Net Change in Total Pension Liability	20,725,573
Total Pension Liability - Beginning	639,144,394
Total Pension Liability - Ending (A)	$ 659,869,967
Plan Fiduciary Net Position:	
Contributions - Employer	13,660,299
Contributions - Employee	6,095,210
Net Investment Income	64,261,674
Benefit payments, including refunds of employee contributions	(33,632,176)
Administrative expense	(409,523)
Other	(2,863)
Net Change in Plan Fiduciary Net Position	49,972,621
Plan Fiduciary Net Position - Beginning	556,188,313
Plan Fiduciary Net Position - Ending (B)	$ 606,160,934
Net Pension Liability (Asset) - Ending (A-B)	$ 53,709,033
Plan Fiduciary Net Position as Percentage of Total Pension Liability (Asset)	91.86 %
Covered Payroll	87,074,421
Net Pension Liability (Asset) as a Percentage of Covered Payroll	61.68 %

*FNP may be off a dollar due to rounding

The net pension liability (asset) and the total pension liability were calculated by Gabriel, Roeder, Smith & Company ("GRS"). The measurement date and the actuarial valuation date was December 31, 2023.

Pension Expense and Deferred Outflows of Resources and Deferred Inflows of Resources

For the year ended September 30, 2024, the City recognized pension expense of 10,683,058. Deferred outflows of resources and deferred inflows of resources related to pensions are from the below sources.

	Deferred Outflows of Resources	Deferred Inflows of Resources
Difference between expected and actual experience	$ 6,559,427	$ 168,520
Net difference between projected and actual earnings on pension plan investments	15,762,822	-
Difference in assumptions	-	3,774,046
Employers' Contributions to the pension plan subsequent to the measurement date	11,838,750	-
Total	$ 34,160,999	$ 3,942,566

Of the $34,160,999 total for deferred outflows of resources, $11,838,750 from City contributions made subsequent to the measurement date will be recognized as a reduction of the net pension liability in the fiscal year ending 9/30/2025. The remainder of the total net deferred outflows/inflows of resources, $18,379,683, related to pensions will be recognized in pension expense as follows:

Fiscal Year	Net deferred outflows (inflows) of resources
2025	$ 6,277,647
2026	5,836,664
2027	11,609,163
2028	(5,343,791)
Total	$ 18,379,683

REQUIRED SUPPLEMENTARY INFORMATION

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF RICHARDSON, TEXAS

Required Supplementary Information
Budgetary Comparison Schedule - General Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual GAAP	Adjustments	Actual Budget	Variance with Final Budget-Positive
	Original	Final	Basis	Budget Basis	Basis	(Negative)
Revenues						
Property taxes	$ 75,193,587	$ 74,352,699	$ 71,628,992	$ 2,332,826	$ 73,961,818	$ (390,881)
Franchise fees	19,065,596	19,547,515	19,293,216	-	19,293,216	(254,299)
Sales tax	57,670,586	54,098,542	53,763,370	989,424	54,752,794	654,252
Mixed beverage and bingo tax	758,751	821,119	811,149	-	811,149	(9,970)
911 revenue	570,778	543,210	526,882	-	526,882	(16,328)
Intergovernmental revenue	71,880	604,170	661,533	-	661,533	57,363
Licenses and permits	3,355,499	3,772,656	3,427,164	-	3,427,164	(345,492)
Fines and forfeitures	1,851,238	1,734,796	1,809,567	(185,402)	1,624,165	(110,631)
Interest revenue	2,292,074	2,707,727	3,169,293	350,204	3,519,497	811,770
Recreation and leisure	3,959,867	4,406,382	4,381,556	-	4,381,556	(24,826)
Public safety	2,446,000	3,180,437	3,725,962	-	3,725,962	545,525
Other	1,538,051	2,276,403	758,568	-	758,568	(1,517,835)
General administration	10,839,972	10,143,972	10,143,972	-	10,143,972	-
Contributions	-	-	34,008	-	34,008	34,008
Total revenues	179,613,879	178,189,628	174,135,232	3,487,052	177,622,284	(567,344)
Expenditures						
Current:						
General government	41,773,094	40,649,726	37,306,419	3,417,225	40,723,644	(73,918)
Public safety	70,435,138	72,311,808	71,024,473	143,094	71,167,567	1,144,241
Public services	26,870,896	26,449,431	24,701,589	904,908	25,606,497	842,934
Library	3,951,604	3,923,805	3,891,144	30,000	3,921,144	2,661
Parks and recreation	14,764,678	14,603,380	14,417,320	63,137	14,480,457	122,923
Public health	2,396,877	2,479,447	2,387,250	-	2,387,250	92,197
Capital outlay	-	58,655	1,545,423	(1,460,903)	84,520	(25,865)
Debt service						
Interest and fiscal charges	-	-	18,609	(18,609)	-	-
Payments for other obligations	-	-	968,468	(968,468)	-	-
Total expenditures	160,192,287	160,476,252	156,260,695	2,110,384	158,371,079	2,105,173
Excess of revenues over expenditures	19,421,592	17,713,376	17,874,537	1,376,668	19,251,205	1,537,829
Other financing sources (uses)						
Transfers in	-	700,000	700,000	-	700,000	-
Transfers out	(17,933,024)	(18,261,024)	(18,860,519)	-	(18,860,519)	(599,495)
Proceeds from sale of capital assets	-	-	31,329	-	31,329	31,329
Insurance and other recoveries	-	-	620,546	-	620,546	620,546
Issuance of other obligations	-	-	1,460,903	(1,460,903)	-	-
Total other financing sources (uses)	(17,933,024)	(17,561,024)	(16,047,741)	(1,460,903)	(17,508,644)	52,380
Net change in fund balance	1,488,568	152,352	1,826,796	(84,235)	1,742,561	1,590,209
Fund balances, October 1	42,345,927	44,348,436	44,348,436	(1,655,640)	42,692,796	(1,655,640)
Fund balances, September 30	$ 43,834,495	$ 44,500,788	$ 46,175,232	$ (1,739,875)	$ 44,435,357	$ (65,431)

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Hotel/Motel Tax Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues				
Hotel/motel taxes	$ 4,678,847	$ 5,186,478	$ 5,088,522	$ (97,956)
Parking Fees	383,551	400,528	66,493	(334,035)
Eisemann center revenue	3,561,364	3,026,834	2,764,112	(262,722)
Interest revenue	276,100	398,855	736,323	337,468
Contributions	-	-	5,000	5,000
Total revenues	8,899,862	9,012,695	8,660,450	(352,245)
Expenditures				
General government	8,286,939	8,537,787	8,934,543	(396,756)
Capital outlay	530,000	530,000	284,250	245,750
General administration	505,843	505,843	-	505,843
Total expenditures	9,322,782	9,573,630	9,218,793	354,837
Excess (deficiency) of revenues over (under) expenditures	(422,920)	(560,935)	(558,343)	2,592
Other financing sources (uses)				
Transfers out	-	(1,450,000)	(1,450,000)	-
Total other financing sources (uses)	-	(1,450,000)	(1,450,000)	-
Net change in fund balance	(422,920)	(2,010,935)	(2,008,343)	2,592
Fund balances, October 1	7,129,861	7,510,514	7,510,514	-
Fund balances, September 30	$ 6,706,941	$ 5,499,579	$ 5,502,171	$ 2,592

CITY OF RICHARDSON, TEXAS
Required Supplementary Information
Year ended September 30, 2023

Schedule of Changes in Total OPEB Liability and Related Ratios
Last 10 Calendar Years*

	2023	2022	2021	2020	2019	2018
Total OPEB liability:						
Service cost	$ 2,042,904	$ 3,023,443	$ 2,805,395	$ 2,513,572	$ 1,979,670	$ 1,981,275
Interest (on the total OPEB liability)	1,985,132	1,140,456	1,176,485	1,445,329	1,871,002	1,568,415
Differences between expected and actual experience	459,860	(4,871,675)	(71,716)	(139,592)	(72,942)	1,906,943
Change of Assumptions	(1,203,505)	(9,563,999)	1,022,921	4,123,289	(173,959)	(660,122)
Benefit Payments, Including Refunds of Employee Contributions	(2,571,496)	(1,835,797)	(1,934,353)	(1,709,027)	(1,780,176)	(1,716,882)
Net change in total OPEB liability	712,895	(12,107,572)	2,998,732	6,233,571	1,823,595	3,079,629
Total OPEB liability - beginning	49,279,894	61,387,466	58,388,734	52,155,163	50,331,568	47,251,939
Total OPEB liability - ending	$ 49,992,789	$ 49,279,894	$ 61,387,466	$ 58,388,734	$ 52,155,163	$ 50,331,568
Covered employee payroll	87,080,321	77,545,305	76,826,799	75,577,640	76,353,079	73,564,399
Total OPEB liability as a percentage of covered employee payroll	57.41 %	63.62 %	79.90 %	77.26 %	69.31 %	68.42 %

Changes of Assumptions. Changes of assumptions and other inputs reflect the effects of changes in the discount rate in each period. The discount rate changed from 4.05% as of December 31, 2022 to 3.77% as of December 31, 2023.

*Note: The City implemented GASB 75 in FY 2018 with actuarial data as of December 31, 2017, therefore the required information for this schedule will be built over the next five calendar years.

As of September 30, 2021 there are no plan assets accumulated in a trust that meets the criteria in paragraph 4 of GASB Statement No. 75.

CITY OF RICHARDSON, TEXAS
Required Supplementary Information
Year ended September 30, 2024

Schedule of Pension Contributions
Last 10 Fiscal Years*

	2024	2023	2022	2021	2020	2019	2018	2017	2016
Actuarially Determined Contribution	$ 15,387,086	$ 13,612,611	$ 11,114,342	$ 11,364,819	$ 11,036,813	$ 10,981,704	$ 10,828,353	$ 10,000,938	$ 8,960,805
Contributions in relation to the actuarially determined contribution	(15,387,086)	(13,071,266)	(11,655,687)	(11,490,448)	(12,704,395)	(11,146,767)	(10,828,353)	(10,000,938)	(8,960,805)
Contribution deficiency (excess)	$ -	$ 541,345	$ (541,345)	$ (125,629)	$ (1,667,582)	$ (165,063)	$ -	$ -	
Covered payroll	$ 94,689,755	$ 84,552,900	$ 77,964,464	$ 76,858,905	$ 75,768,351	$ 75,570,212	$ 72,840,621	$ 70,066,638	$ 67,329,906
Contributions as a percentage of covered payroll	16.25 %	16.10 %	14.26 %	14.79 %	14.57 %	14.53 %	14.87 %	14.27 %	14.31 %

NOTES TO SCHEDULE OF CONTRIBUTIONS

Valuation Date	Actuarially determined contribution rates are calculated as of December 31 and become effective in January, thirteen months later.
Notes	
Methods and Assumptions Used to Determine Contribution Rates:	
Actuarial Cost Method	Entry Age Normal
Amortization Method	Level Percentage of Payroll, Closed
Remaining Amortization Period	22 years
Asset Valuation Method	10 Year smoothed market, 12% soft corridor
Inflation	2.50%
Salary Increases	3.60% to 11.5% including inflation
Investment Rate of Return	6.75%
Retirement Age	Experience-based table of rates that vary by age. Last updated for the 2023 valuation pursuant to an experience study of the period ending 2022.
Mortality	Post-retirement: 2019 Municipal Retirees of Texas Mortality Tables. Male rates are mulitiplied by 103% and female rates are multiplied by 105%. The rates are projected on a fully generational basis with scale MP-2021 (with immediate convergence). Pre-retirement: PUB(10) mortality tables, with the 110% Public Safety table used for males and the General Employee table used for females. The rates are projected on a fully generational basis with scale MP-2021 (with immediate convergence).
Other Information:	
Notes	There were no benefit changes during the year.

CITY OF RICHARDSON, TEXAS
Required Supplementary Information
Year ended September 30, 2024

Schedule of Changes in Net Pension Liability (Asset) and Related Ratios
Last 10 Calendar Years*

	2023	2022	2021	2020	2019	2018	2017	2016	2015
Total pension liability:									
Service cost	$ 13,522,658	$ 11,995,305	$ 11,524,130	$ 11,321,609	$ 11,430,056	$ 11,005,234	$ 10,613,618	$ 10,202,479	$ 9,282,442
Interest (on the Total Pension Liability)	42,463,550	40,825,471	38,939,714	37,728,817	36,261,004	34,850,859	33,439,920	31,995,989	31,310,006
Changes of benefit terms	-	2,679,847	-	-	-	-	-	-	-
Differences between expected and actual experience	3,412,046	4,412,563	6,716,536	(2,342,984)	1,280,146	243,478	(313,905)	648,556	(1,241,285)
Change of assumptions	(5,040,505)	-	-	-	56,972	-	-	-	7,343,227
Benefit payments, including refunds of employee contributions	(33,632,176)	(33,826,183)	(30,491,141)	(27,247,853)	(27,209,284)	(23,632,610)	(22,432,659)	(20,889,414)	(19,961,687)
Net change in Total Pension Liability	20,725,573	26,087,003	26,689,239	19,459,589	21,818,894	22,466,961	21,306,974	21,957,610	26,732,703
Total Pension Liability - Beginning	639,144,394	613,057,391	586,368,152	567,208,565	545,389,671	522,922,710	501,615,736	479,358,126	452,625,423
Total Pension Liability - Ending (A)	$ 659,869,967	$ 639,144,394	$ 613,057,391	$ 586,668,154	$ 567,208,565	$ 545,389,671	$ 522,922,710	$ 501,315,736	$ 479,358,126
Plan fiduciary Net Position									
Contributions - Employer	$ 13,660,299	$ 11,656,337	$ 11,485,650	$ 12,568,995	$ 11,399,536	$ 10,887,470	$ 10,342,735	$ 9,073,163	$ 9,067,267
Contributions - Employee	6,095,210	5,424,864	5,377,928	5,291,206	5,479,173	5,149,508	4,967,489	4,767,618	4,599,369
Net Investment Income	64,261,674	(45,060,193)	72,835,182	40,100,443	72,190,327	(14,664,558)	60,507,332	28,105,129	622,684
Benefit payments, including refunds of employee contributions	(33,632,176)	(33,826,183)	(30,491,141)	(27,247,853)	(27,209,284)	(23,632,610)	(22,432,659)	(20,889,414)	(19,961,687)
Administrative expense	(409,523)	(390,319)	(337,211)	(259,633)	(408,090)	(283,512)	(313,643)	(317,470)	(379,292)
Other	(2,861)	465,766	2,309	(10,130)	(12,259)	(14,812)	(15,895)	(17,105)	(18,735)
Net change in plan fiduciary net position	49,972,623	(61,729,728)	58,872,717	30,443,028	61,439,403	(22,558,514)	53,055,359	20,721,921	(6,070,394)
Plan Fiduciary Net Position - Beginning	556,188,314	617,918,041	559,045,324	528,602,296	467,162,893	489,721,409	436,066,048	415,944,127	422,014,521
Plan Fiduciary Net Position - Ending (B)	$ 606,160,937	$ 556,188,313	$ 617,918,041	$ 559,045,324	$ 528,602,296	$ 467,162,895	$ 489,121,407	$ 436,666,048	$ 415,944,127
Net Pension Liability (Asset)- Ending (A-B)	$ 53,709,030	$ 82,956,081	$ (4,860,650)	$ 27,622,830	$ 38,606,269	$ 78,226,776	$ 33,801,303	$ 64,649,688	$ 63,413,999
Plan Fiduciary Net Position as a Percentage of Total Pension Liability (Asset)	91.86 %	87.02 %	100.79 %	95.29 %	93.19 %	85.66 %	93.54 %	87.10 %	86.77 %
Covered payroll	$ 87,074,421	$ 77,439,024	$ 76,827,535	$ 75,578,149	$ 76,353,079	$ 73,564,399	$ 70,946,642	$ 68,061,898	$ 65,693,151
Net Pension Liability (Asset) as a Percentage of Covered Payroll	61.68 %	107.12 %	(6.33)%	36.55 %	50.56 %	106.34 %	47.64 %	94.99 %	(96.53)%

* The City implemented GASB 68 in FY 2015 with actuarial data as of December 31, 2014, therefore the required information for this schedule will be built over time.

(A) Budgetary Information

As set forth in the City Charter, the City Council adopts annual budgets for the General Fund, the Debt Service Fund, Special Revenue Funds, Enterprise Funds, and Internal Service Funds. These annual budget adoptions are prepared in accordance with the basis of accounting utilized by each fund, with certain exceptions made for non-cash GAAP adjustments such as accruals for court fines or mark to market interest revenue adjustments. The budgets for the Enterprise Funds are prepared under a basis consistent with accounting principles generally accepted in the United States, except that depreciation, certain capital expenses, nonoperating income and certain nonoperating expense items are not considered. The legal level of control for each budget is at the fund level. That is to say, that total expenditures for each fund should not exceed total budgeted expenditures for that fund. The City Council is authorized to transfer budgeted amounts within and among departments and ratifies, through the Budget Ordinance, any transfers and/or amendments made by the City Manager. Subsequent to year-end, the Budget Department provides the City Council with the adopted budgets. The Solid Waste and Water and Sewer Funds include amounts for operations and debt service.

	Original Budget	Amended Budget
General	$ 178,125,311	$ 178,737,276
Hotel/Motel Tax	9,322,782	11,023,630
Debt Service	47,521,971	47,521,971
Water and Sewer	105,059,411	109,699,321
Solid Waste Services	18,213,924	18,347,145
Internal Service (Combined)	20,209,258	21,163,522
Municipal Court Building Security	78,666	79,692
Technology	20,448	31,660
Judicial Efficiency	22,780	9,535
Municipal Jury Fund	1,500	1,400
Juvenile Case Manager	75,522	69,344
Tax Increment Financing #1	20,945,477	14,944,613
Tax Increment Financing #2	10,464,709	5,748,966
Tax Increment Financing #3	2,034,329	1,232,198
Federal Grants	12,089,646	5,784,219
State Grants	-	91,950
Special Police	144,900	238,775
Wireless 911	728,400	1,349,138
PEG	175,000	151,000
Drainage	4,713,280	2,739,317
Richardson Improvement Corp.	12,500	10,620
Economic Development	1,443,876	2,290,728
Golf	2,792,196	3,000,630

(A) Budgetary Information

Expenditures over Appropriations

For the year ended September 30, 2024, expenditures (including transfers) were less than appropriations in the General Fund. Expenditures exceeded appropriations in the Judicial Efficiency Fund by $3,507 for various reasons and the Golf Fund by $555,127 due to leasing activities. These expenditures were covered by greater than expected revenues, other financing sources or available fund balances.

(B) Adjustment to Revenues, Expenditures and Other Financing Sources and Uses from GAAP Basis to Basis of Budgeting

Excess of revenues and other sources over expenditures and other uses-GAAP basis	$	1,826,796
End of year adjustment for encumbrances not recognized as expenditures		(249,037)
Non-cash mark to market investment revenue recognized for GAAP basis		350,204
Increase in fines and forfeitures recognized for GAAP basis		(185,402)
Excess of revenues and other sources over expenditures and other uses-budget basis	$	1,742,561

THIS PAGE LEFT BLANK INTENTIONALLY

INDIVIDUAL AND COMBINING FUND FINANCIAL STATEMENTS AND SCHEDULES

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Debt Service Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Property taxes	$ 47,538,237	$ 46,913,007	$ 47,022,788	$ 109,781
Interest revenue	156,791	243,434	215,443	(27,991)
Total revenues	47,695,028	47,156,441	47,238,231	81,790
Expenditures:				
Debt service:				
Interest and fiscal charges	12,259,750	12,259,750	12,258,767	983
Principal retirement	35,251,971	35,251,971	35,020,000	231,971
Issuance costs	10,250	10,250	-	10,250
Payments for other obligations	-	-	240,804	(240,804)
Total expenditures	47,521,971	47,521,971	47,519,571	2,400
Excess (deficiency) of revenues over (under) expenditures	173,057	(365,530)	(281,340)	84,190
Other financing sources (uses):				
Transfers in	-	-	12,358	12,358
Total other financing sources (uses)	-	-	12,358	12,358
Net change in fund balance	173,057	(365,530)	(268,982)	96,548
Fund balances, October 1	3,675,221	3,898,927	3,898,927	129,445
Fund balances, September 30	$ 3,848,278	$ 3,533,397	$ 3,629,945	$ 225,993

COMBINING FINANCIAL STATEMENTS

Special Revenue Funds

Special Revenue Funds are used by the City to account for revenues derived from specific intergovernmental grants, taxes, and proceeds that are designated to finance particular functions or activities of the City. The City has the following Special Revenue Funds:

Municipal Court Funds consist of the following funds. The allowable purposes for each fund are specified by state law:

Municipal Court Building Security Fund - This fund is used to account for restricted proceeds received from Municipal Court fines for security expenditures.

Technology Fund - This fund is used to account for the Municipal Court technology fee charged to defendants convicted of misdemeanor offenses.

Judicial Efficiency Fund - This fund is used to account for special revenue to be used to improve the efficiency of the administration of justice in the City.

Jury Fund - This fund is used by the City to fund juror reimbursements and otherwise finance jury services.

Juvenile Case Manager Fund - This fund is used to finance the salary, benefits, training, travel, office supplies, and other necessary expenses relating to the position of Juvenile Case Manager.

Tax Increment Financing Funds consist of the following:

Tax Increment Financing Fund #1 - In 2006, the City Council adopted a Tax Increment Financing Zone. Ad valorem taxes on incremental growth in real property values in the Zone are used to contribute to development in the Zone. The City established a special revenue fund, Tax Increment Financing #1, to record these financial transactions.

Tax Increment Financing Fund #2 - In 2012, the City Council adopted a Tax Increment Financing Zone. Ad valorem taxes on incremental growth in real property values in the Zone are used to contribute to development in the Zone. The City established a special revenue fund, Tax Increment Financing #2, to record these financial transactions.

Tax Increment Financing Fund #3 - In 2012, the City Council adopted a Tax Increment Financing Zone. Ad valorem taxes on incremental growth in real property values in the Zone are used to contribute to development in the Zone. The City established a special revenue fund, Tax Increment Financing #3, to record these financial transactions.

Federal Grant Funds - This fund is used to account for restricted proceeds received from federal agencies for various purposes. Funds are to be utilized in accordance with the respective requirements of each program.

State Grant Funds - This fund is used to account for restricted proceeds received from the state for various purposes. Funds are to be utilized in accordance with the respective requirements of each program.

Special Police Funds - These funds are used to account for restricted proceeds received from seizures and confiscations awarded to the City by the judicial system. Federal grants that are police related are included. Funds are to be utilized by the Chief of Police in accordance with state law.

Wireless 911 Fund - This fund is used to account for the wireless 911 revenue that is received from the state. Funds are to be spent in accordance with state law.

PEG Fund - This fund is used to account for restricted revenues received from state-issued cable/video franchises under the Texas Utilities Code. Revenues may be spent on capital cost items for PEG facilities that have a useful life or more than one year and are used in the production of programming for the PEG access channels.

Drainage Fund - This fund was established by the City Council's adoption of an ordinance in November 2011. It is used to account for drainage fee revenues collected. The committed funds are used to provide storm drainage services to all real property.

Richardson Improvement Corporation - The Richardson Improvement Corporation is a legally separate entity that acts, in essence, as a department of the City. The Corporation is a nonprofit entity that serves the citizens of the City by improving municipal parks and recreational functions, facilitating real estate transactions and serving as an independent foundation for acceptance of corporate donations.

Economic Development Fund - This fund was established by the City Council's adoption of an ordinance in September 2014 dedicating resources for economic development.

Golf Fund - This fund was established to account for the revenues and expenditures of the City's golf course.

Permanent Fund

Ann & Charles Eisemann Edge Permanent Fund - A fund used to account for principal trust amounts received and related interest income to be used for the Eisemann Center Edge arts program.

CITY OF RICHARDSON, TEXAS
Nonmajor Governmental Funds
September 30, 2024

	Municipal Court Funds(1)	Tax Increment Financing Funds(1)	Federal Grants	State Grants	Special Police Funds	Wireless 911 Fund
Assets:						
Current assets:						
Cash, cash equivalents, and investments	$ 560,863	$ 24,598,738	$ 456,319	$ 11,221	$ 898,303	$ 1,241,941
Receivables (net of allowances)	-	1,020	1,952,604	-	5,901	-
Lease Receivable	-	791,953	-	-	-	-
Inventories	-	-	205,499	-	-	-
Prepaid items	-	-	-	-	-	-
Total assets	560,863	25,391,711	2,614,422	11,221	904,204	1,241,941
Liabilities:						
Current liabilities:						
Accounts payable	10	379,264	1,830,971	-	6,589	484,095
Retainage payable	-	156,079	404,404	-	-	-
Accrued liabilities	2,937	-	-	-	78,494	-
Unearned revenue	-	-	110,448	11,221	97,616	-
Total liabilities	2,947	535,343	2,345,823	11,221	182,699	484,095
Deferred inflows of resources						
Unavailable revenue	-	-	-	-	-	-
Deferred inflows related to leases	-	643,030	-	-	-	-
Total deferred inflows of resources	-	643,030	-	-	-	-
Fund balances:						
Nonspendable:						
Prepaid items	-	-	-	-	-	-
Inventory	-	-	205,499	-	-	-
Permanent fund principal	-	-	-	-	-	-
Restricted for:						
General government	557,916	24,213,338	-	-	-	-
Public safety	-	-	63,100	-	721,505	757,846
Committed for:						
General government	-	-	-	-	-	-
Public services	-	-	-	-	-	-
Parks and recreation	-	-	-	-	-	-
Assigned for:						
Parks and recreation	-	-	-	-	-	-
Total fund balances	557,916	24,213,338	268,599	-	721,505	757,846
Total liabilities, deferred inflows of resources, and fund balances	$ 560,863	$ 25,391,711	$ 2,614,422	$ 11,221	$ 904,204	$ 1,241,941

(1) Combined fund statements presented. Detailed fund statements are found immediately following the combining nonmajor governmental funds statements.

CITY OF RICHARDSON, TEXAS
Combining Balance Sheet - Nonmajor Governmental Funds
September 30, 2024

PEG Fund	Drainage Fund	Richardson Improvement Corporation Fund	Economic Development Fund	Golf Fund	Special Revenue Funds Subtotal	Permanent Fund Ann & Charles Eisemann Edge	Total Nonmajor Governmental Funds Total
$ 1,123,284	$ 4,644,275	$ 23,634	$ 7,112,590	$ 728,027	$ 41,399,195	$ 251,080	$ 41,650,275
22,335	349,705	-	-	117,713	2,449,278	-	2,449,278
-	-	-	-	-	791,953	-	791,953
-	-	-	-	-	205,499	-	205,499
-	-	-	21,600	-	21,600	-	21,600
1,145,619	4,993,980	23,634	7,134,190	845,740	44,867,525	251,080	45,118,605
63,411	276,165	2,334	-	98,281	3,141,120	-	3,141,120
-	1,144	-	-	-	561,627	-	561,627
-	-	-	-	44,376	125,807	-	125,807
-	-	-	-	-	219,285	-	219,285
63,411	277,309	2,334	-	142,657	4,047,839	-	4,047,839
-	349,704	-	-	-	349,704	-	349,704
-	-	-	-	-	643,030	-	643,030
-	349,704	-	-	-	992,734	-	992,734
-	-	-	21,600	-	21,600	-	21,600
-	-	-	-	-	205,499	-	205,499
-	-	-	-	-	-	251,080	251,080
1,082,208	-	-	-	-	25,853,462	-	25,853,462
-	-	-	-	-	1,542,451	-	1,542,451
-	-	-	7,112,590	-	7,112,590	-	7,112,590
-	4,366,967	-	-	-	4,366,967	-	4,366,967
-	-	-	-	703,083	703,083	-	703,083
-	-	21,300	-	-	21,300	-	21,300
1,082,208	4,366,967	21,300	7,134,190	703,083	39,826,952	251,080	40,078,032
$ 1,145,619	$ 4,993,980	$ 23,634	$ 7,134,190	$ 845,740	$ 44,867,525	$ 251,080	$ 45,118,605

CITY OF RICHARDSON, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

Year ended September 30, 2024

	Municipal Court Funds(1)	Tax Increment Financing Funds(1)	Federal Grants	State Grants	Special Police Funds	Wireless 911 Fund
Revenues:						
Property taxes	$ -	$ 14,084,608	$ -	$ -	$ -	$ -
Franchise taxes	-	-	-	-	-	-
Drainage fees	-	-	-	-	-	-
911 revenue	-	-	-	-	-	660,172
Intergovernmental revenue	-	3,023,488	4,884,608	88,528	351,449	620,738
Fines and forfeitures	167,400	-	-	-	8,841	-
Interest revenue (temporary loss)	31,310	1,542,843	163,750	-	45,333	41,971
Golf course revenue	-	-	-	-	-	-
Golf course restaurant	-	-	-	-	-	-
Contributions	-	-	-	-	-	-
Other	-	3,358	-	-	2,129	-
Total revenues	198,710	18,654,297	5,048,358	88,528	407,752	1,322,881
Expenditures:						
General government	94,643	1,711,795	3,498	25,323	-	-
Public safety	70,714	-	43,420	-	175,373	-
Public services	-	-	-	60,678	-	-
Parks and recreation	-	248,655	-	-	-	-
General administration	-	155,164	-	-	-	-
Capital outlay	-	4,201,319	4,715,687	-	-	484,095
Debt service:						
Interest and fiscal charges	-	4,445,063	-	-	-	-
Payments for other obligations	-	4,316,751	-	-	-	-
Total expenditures	165,357	15,078,747	4,762,605	86,001	175,373	484,095
Excess (deficiency) of revenues over (under) expenditures	33,353	3,575,550	285,753	2,527	232,379	838,786
Other financing sources (uses):						
Transfers in	-	-	-	-	2,495	-
Transfers out	-	-	(569,900)	-	(50,000)	(650,000)
Issuance of certificates of obligation	-	-	-	-	-	-
Total other financing sources (uses)	-	-	(569,900)	-	(47,505)	(650,000)
Net change in fund balances	33,353	3,575,550	(284,147)	2,527	184,874	188,786
Fund balances, October 1	524,563	20,637,788	552,744	(2,527)	536,631	569,060
Fund balances, September 30	$ 557,916	$ 24,213,338	$ 268,597	$ -	$ 721,505	$ 757,846

(1) Combined fund statements presented. Detailed fund statements are found immediately following the combining nonmajor governmental funds statements.

CITY OF RICHARDSON, TEXAS

Combining Statement of Revenues, Expenditures and Changes in Fund Balances - Nonmajor Governmental Funds

Year ended September 30, 2024

PEG Fund	Drainage Fund	Richardson Improvement Corporation Fund	Economic Development Fund	Golf Fund	Special Revenue Funds Subtotal	Permanent Fund: Ann & Charles Eisemann Edge	Total Nonmajor Governmental Funds: Total
$ -	$ -	$ -	$ -	$ -	$ 14,084,608	$ -	$ 14,084,608
168,620	-	-	-	-	168,620	-	168,620
-	3,222,028	-	-	-	3,222,028	-	3,222,028
-	-	-	-	-	660,172	-	660,172
-	-	-	-	-	8,968,811	-	8,968,811
-	-	-	-	-	176,241	-	176,241
59,726	232,129	-	411,556	62,003	2,590,621	13,996	2,604,617
-	-	-	-	2,377,646	2,377,646	-	2,377,646
-	-	-	-	46,430	46,430	-	46,430
-	-	-	-	-	-	166	166
-	-	-	-	179,895	185,382	-	185,382
228,346	3,454,157	-	411,556	2,665,974	32,480,559	14,162	32,494,721
39,149	-	-	771,873	-	2,646,281	-	2,646,281
-	-	-	-	-	289,507	-	289,507
-	1,069,168	-	-	-	1,129,846	-	1,129,846
-	-	9,879	-	2,446,291	2,704,825	-	2,704,825
-	968,366	-	-	229,026	1,352,556	-	1,352,556
63,409	289,990	-	-	481,306	10,235,806	-	10,235,806
-	-	-	-	2,469	4,447,532	-	4,447,532
-	-	-	-	96,865	4,413,616	-	4,413,616
102,558	2,327,524	9,879	771,873	3,255,957	27,219,969	-	27,219,969
125,788	1,126,633	(9,879)	(360,317)	(589,983)	5,260,590	14,162	5,274,752
-	-	-	1,997,766	-	2,000,261	-	2,000,261
-	-	-	-	(300,000)	(1,569,900)	-	(1,569,900)
-	-	-	-	481,306	481,306	-	481,306
-	-	-	1,997,766	181,306	911,667	-	911,667
125,788	1,126,633	(9,879)	1,637,449	(408,677)	6,172,257	14,162	6,186,419
956,420	3,240,334	31,179	5,496,741	1,111,762	33,654,695	236,918	33,891,613
$ 1,082,208	$ 4,366,967	$ 21,300	$ 7,134,190	$ 703,085	$ 39,826,952	$ 251,080	$ 40,078,032

CITY OF RICHARDSON, TEXAS

Combining Balance Sheet - Nonmajor Governmental Funds - Municipal Court Funds

September 30, 2024

	Building Security	Technology	Judicial Efficiency	Municipal Jury Fund	Juvenile Case Manager	Total
Assets:						
Cash, cash equivalents, and investments	$ 31,721	$ 287,456	$ 140,389	$ 1,477	$ 99,820	$ 560,863
Total	31,721	287,456	140,389	1,477	99,820	560,863
Liabilities:						
Accounts payable	$ -	$ -	$ 10	$ -	$ -	$ 10
Accrued liabilities	1,358	-	-	-	1,579	2,937
Total liabilities	1,358	-	10	-	1,579	2,947
Fund balances:						
Restricted for:						
General government	30,363	287,456	140,379	1,477	98,241	557,916
Total fund balances	30,363	287,456	140,379	1,477	98,241	557,916
Total liabilities and fund balances	$ 31,721	$ 287,456	$ 140,389	$ 1,477	$ 99,820	$ 560,863

CITY OF RICHARDSON, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -
Nonmajor Governmental Funds - Municipal Court Funds
For the Fiscal Year Ended September 30, 2024

	Building Security	Technology	Judicial Efficiency	Municipal Jury Fund	Juvenile Case Manager	Total
Revenues:						
Fines and forfeitures	$ 48,300	$ 39,701	$ 29,713	$ 974	$ 48,712	$ 167,400
Interest revenue (temporary loss)	2,469	15,388	7,204	89	6,160	31,310
Total revenues	50,769	55,089	36,917	1,063	54,872	198,710
Expenditures:						
General government	-	12,263	13,042	1,344	67,994	94,643
Public safety	70,714	-	-	-	-	70,714
Total expenditures	70,714	12,263	13,042	1,344	67,994	165,357
Excess (deficiency) of revenues over (under) expenditures	(19,945)	42,826	23,875	(281)	(13,122)	33,353
Net change in fund balances	(19,945)	42,826	23,875	(281)	(13,122)	33,353
Fund balances, October 1	50,308	244,630	116,504	1,758	111,363	524,563
Fund balances, September 30	$ 30,363	$ 287,456	$ 140,379	$ 1,477	$ 98,241	$ 557,916

CITY OF RICHARDSON, TEXAS

Budgetary Comparison Schedule - Municipal Court Building Security Fund

For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	$ 50,664	$ 48,750	$ 48,300	$ (450)
Interest revenue (temporary loss)	3,221	3,398	2,469	(929)
Total revenues	53,885	52,148	50,769	(1,379)
Expenditures:				
Public safety	78,666	79,692	70,714	8,978
Total expenditures	78,666	79,692	70,714	8,978
Excess (deficiency) of revenues over (under) expenditures	(24,781)	(27,544)	(19,945)	7,599
Net change in fund balance	(24,781)	(27,544)	(19,945)	7,599
Fund balances, October 1	62,445	50,308	50,308	-
Fund balances, September 30	$ 37,664	$ 22,764	$ 30,363	$ 7,599

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Technology Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Fines and forfeitures	$ 41,928	$ 40,100	$ 39,701	$ (399)
Interest revenue (temporary loss)	9,829	14,367	15,388	1,021
Total revenues	51,757	54,467	55,089	622
Expenditures:				
General government	20,448	31,660	12,263	19,397
Total expenditures	20,448	31,660	12,263	19,397
Excess (deficiency) of revenues over (under) expenditures	31,309	22,807	42,826	20,019
Net change in fund balance	31,309	22,807	42,826	20,019
Fund balances, October 1	243,425	244,630	244,630	-
Fund balances, September 30	$ 274,734	$ 267,437	$ 287,456	$ 20,019

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Judicial Efficiency Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Fines and forfeitures	$ 29,175	$ 27,800	$ 29,713	$ 1,913
Interest revenue (temporary loss)	3,810	6,186	7,204	1,018
Total revenues	32,985	33,986	36,917	2,931
Expenditures:				
General government	22,780	9,535	13,042	(3,507)
Total expenditures	22,780	9,535	13,042	(3,507)
Excess (deficiency) of revenues over (under) expenditures	10,205	24,451	23,875	(576)
Net change in fund balance	10,205	24,451	23,875	(576)
Fund balances, October 1	97,585	116,504	116,504	-
Fund balances, September 30	$ 107,790	$ 140,955	$ 140,379	$ (576)

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Municipal Jury Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
Revenues:				
Fines and forfeitures	$ 1,011	$ 1,011	$ 974	$ (37)
Interest revenue (temporary loss)	71	96	89	(7)
Total revenues	1,082	1,107	1,063	(44)
Expenditures:				
General government	1,500	1,400	1,344	56
Total expenditures	1,500	1,400	1,344	56
Excess (deficiency) of revenues over (under) expenditures	(418)	(293)	(281)	12
Net change in fund balance	(418)	(293)	(281)	12
Fund balances, October 1	1,316	1,758	1,758	-
Fund balances, September 30	$ 898	$ 1,465	$ 1,477	$ 12

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Juvenile Case Manager
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget - Positive
	Original	Final	Amount	(Negative)
Revenues:				
Fines and forfeitures	$ 50,593	$ 49,100	$ 48,712	$ (388)
Interest revenue (temporary loss)	4,757	6,402	6,160	(242)
Total revenues	55,350	55,502	54,872	(630)
Expenditures:				
General government	75,522	69,344	67,994	1,350
Total expenditures	75,522	69,344	67,994	1,350
Excess (deficiency) of revenues over (under) expenditures	(20,172)	(13,842)	(13,122)	720
Net change in fund balance	(20,172)	(13,842)	(13,122)	720
Fund balances, October 1	106,831	111,363	111,363	-
Fund balances, September 30	$ 86,659	$ 97,521	$ 98,241	$ 720

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF RICHARDSON, TEXAS
Combining Balance Sheet - Nonmajor Governmental Funds - Tax Increment Financing Funds
September 30, 2024

	Tax Increment Financing #1	Tax Increment Financing #2	Tax Increment Financing #3	Total
Assets:				
Cash, cash equivalents, and investments	$ 18,825,524	$ 4,820,579	$ 952,635	$24,598,738
Accounts receivable	1,020	-	-	1,020
Lease Receivable	791,953	-	-	791,953
Total	19,618,497	4,820,579	952,635	25,391,711
Liabilities:				
Accounts payable	379,264	-	-	379,264
Retainage payable	156,079	-	-	156,079
Total liabilities	535,343	-	-	535,343
Deferred inflows related to leases	643,030	-	-	643,030
Total deferred inflows of resources	643,030	-	-	643,030
Fund balances:				
Restricted for:				
General government	18,440,124	4,820,579	952,635	24,213,338
Total fund balances	18,440,124	4,820,579	952,635	24,213,338
Total liabilities and fund balances	$ 19,618,497	$ 4,820,579	$ 952,635	$25,391,711

CITY OF RICHARDSON, TEXAS

Combining Statement of Revenues, Expenditures, and Changes in Fund Balance -
Nonmajor Governmental Funds - Tax Increment Financing Funds
For the Fiscal Year Ended September 30, 2024

	Tax Increment Financing #1	Tax Increment Financing #2	Tax Increment Financing #3	Total
Revenues:				
General property taxes	$ 7,543,494	$ 5,385,593	$ 1,155,521	$ 14,084,608
Intergovernmental revenue	1,706,568	1,085,603	231,317	3,023,488
Interest revenue (temporary loss)	1,126,579	346,045	70,219	1,542,843
Other	3,358	-	-	3,358
Total revenues	10,379,999	6,817,241	1,457,057	18,654,297
Expenditures:				
General government	1,711,795	-	-	1,711,795
Parks and recreation	248,655	-	-	248,655
General administration	132,991	22,173	-	155,164
Capital outlay	4,201,319	-	-	4,201,319
Debt service:				
Payments for other obligations	399,301	3,917,450	-	4,316,751
Interest and fiscal charges	1,403,521	1,809,343	1,232,199	4,445,063
Total expenditures	8,097,582	5,748,966	1,232,199	15,078,747
Excess (deficiency) of revenues over (under) expenditures	2,282,417	1,068,275	224,858	3,575,550
Net change in fund balances	2,282,417	1,068,275	224,858	3,575,550
Fund balances, October 1	16,157,707	3,752,304	727,777	20,637,788
Fund balances, September 30	$ 18,440,124	$ 4,820,579	$ 952,635	$ 24,213,338

CITY OF RICHARDSON, TEXAS

Budgetary Comparison Schedule - Tax Increment Financing #1

For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual GAAP	Adjustments	Actual Budget	Variance with Final Budget-Positive
	Original	Final	Basis	Budget Basis	Basis	(Negative)
Revenues:						
Property taxes	$ 7,922,174	$ 7,747,094	$ 7,543,494	$ -	$ 7,543,494	$ (203,600)
Intergovernmental revenue	1,990,613	1,990,613	1,706,568	-	1,706,568	(284,045)
Interest revenue (temporary loss)	556,082	1,075,735	1,126,579	-	1,126,579	50,844
Other	-	-	3,358	-	3,358	3,358
Total revenues	10,468,869	10,813,442	10,379,999	-	10,379,999	(433,443)
Expenditures:						
General government	8,144,426	10,494,136	1,711,795	1,802,822	3,514,617	6,979,519
General administration	132,991	132,991	132,991	-	132,991	-
Parks and recreation	-	-	248,655	-	248,655	(248,655)
Capital outlay	12,668,060	4,317,486	4,201,319	-	4,201,319	116,167
Debt service:						
Payments for other obligations	-	-	399,301	(399,301)	-	-
Interest and fiscal charges	-	-	1,403,521	(1,403,521)	-	-
Total expenditures	20,945,477	14,944,613	8,097,582	-	8,097,582	6,847,031
Excess of revenues over (under) expenditures	(10,476,608)	(4,131,171)	2,282,417	-	2,282,417	(6,413,588)
Net change in fund balance	(10,476,608)	(4,131,171)	2,282,417	-	2,282,417	6,413,588
Fund balances, October 1	5,709,969	16,157,707	16,157,707	-	16,157,707	-
Fund balances, September 30	$ (4,766,639)	$ 12,026,536	$ 18,440,124	$ -	$ 18,440,124	$ 6,413,588

CITY OF RICHARDSON, TEXAS

Budgetary Comparison Schedule - Tax Increment Financing #2

For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual GAAP	Adjustments	Actual Budget	Variance with Final Budget-Positive
	Original	Final	Basis	Budget Basis	Basis	(Negative)
Revenues:						
Property taxes	$ 5,438,491	$ 5,397,702	$ 5,385,593	$ -	$ 5,385,593	$ (12,109)
Intergovernmental revenue	1,108,610	1,085,603	1,085,603	-	1,085,603	-
Interest revenue (temporary loss)	196,073	258,138	346,045	-	346,045	87,907
Total revenues	6,743,174	6,741,443	6,817,241	-	6,817,241	75,798
Expenditures:						
General government	10,442,536	5,726,793	-	5,726,793	5,726,793	-
General administration	22,173	22,173	22,173	-	22,173	-
Debt service:						
Payments for other obligations	-	-	3,917,450	(3,917,450)	-	-
Interest and fiscal charges	-	-	1,809,343	(1,809,343)	-	-
Total expenditures	10,464,709	5,748,966	5,748,966	-	(5,748,966)	-
Excess of revenues over (under) expenditures	(3,721,535)	992,477	1,068,275	-	1,068,275	75,798
Net change in fund balance	(3,721,535)	992,477	1,068,275	-	1,068,275	75,798
Fund balances, October 1	2,800,290	3,752,304	3,752,304	-	3,752,304	-
Fund balances, September 30	$ (921,245)	$ 4,744,781	$ 4,820,579	$ -	$ 4,820,579	$ 75,798

CITY OF RICHARDSON, TEXAS

Budgetary Comparison Schedule - Tax Increment Financing #3

For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual GAAP	Adjustments	Actual Budget	Variance with Final Budget-Positive
	Original	Final	Basis	Budget Basis	Basis	(Negative)
Revenues:						
Property taxes	$ 1,159,268	$ 1,153,472	$ 1,155,521	$ -	$ 1,155,521	$ 2,049
Intergovernmental revenue	236,269	231,317	231,317	-	231,317	-
Interest revenue	35,995	51,485	70,219	-	70,219	18,734
Total revenues	1,431,532	1,436,274	1,457,057	-	1,457,057	20,783
Expenditures:						
General government	2,034,329	1,232,199	-	1,232,199	1,232,199	-
Debt service:						
Interest and fiscal charges	-	-	1,232,199	(1,232,199)	-	-
Total expenditures	2,034,329	1,232,199	1,232,199	-	1,232,199	-
Excess of revenues over (under) expenditures	(602,797)	204,075	224,858	-	224,858	20,783
Net change in fund balance	(602,797)	204,075	224,858	-	224,858	20,783
Fund balances, October 1	105,956	727,777	727,777	-	727,777	-
Fund balances, September 30	$ (496,841)	$ 931,852	$ 952,635	$ -	$ 952,635	$ 20,783

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Federal Grants Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental revenue	$ 6,895,000	$ 7,199,537	$ 4,884,608	$ (2,314,929)
Interest revenue	558,757	142,821	163,750	20,929
Total revenues	7,453,757	7,342,358	5,048,358	(2,294,000)
Expenditures:				
General government	115,000	77,645	3,498	74,147
Public safety	97,500	85,000	43,420	41,580
Capital outlay	11,877,146	5,621,574	4,715,687	905,887
Total expenditures	12,089,646	5,784,219	4,762,605	1,021,614
Excess (deficiency) of revenues over (under) expenditures	(4,635,889)	1,558,139	285,753	(1,272,386)
Other financing sources (uses):				
Transfers out	-	-	(569,900)	(569,900)
Total other financing sources (uses)	-	-	(569,900)	(569,900)
Net change in fund balance	(4,635,889)	1,558,139	(284,147)	(1,842,286)
Fund balances, October 1	(11,358,290)	552,744	552,744	-
Fund balances, September 30	$(15,994,179)	$ 2,110,883	$ 268,597	$ (1,842,286)

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - State Grants Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Intergovernmental revenue	$ -	$ 94,477	$ 88,528	$ (5,949)
Total revenues	-	94,477	88,528	(5,949)
Expenditures:				
General government	-	25,585	25,323	262
Public services	-	-	60,678	(60,678)
Capital outlay	-	66,365	-	66,365
Total expenditures	-	91,950	86,001	5,949
Excess (deficiency) of revenues over (under) expenditures	-	2,527	2,527	-
Net change in fund balance	-	2,527	2,527	-
Fund balances, October 1	(2,527)	(2,527)	(2,527)	-
Fund balances, September 30	$ (2,527)	$ -	$ -	$ -

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Special Police Funds
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Intergovernmental revenue	$ 125,000	$ 262,685	$ 351,452	$ 88,767
Fines and forfeitures	12,907	8,933	8,841	(92)
Interest revenue	23,561	36,683	45,333	8,650
Other	-	-	2,129	2,129
Total revenues	161,468	308,301	407,755	99,454
Expenditures:				
Public safety	94,900	188,775	175,376	13,399
Total expenditures	94,900	188,775	175,376	13,399
Excess (deficiency) of revenues over (under) expenditures	66,568	119,526	232,379	112,853
Other financing sources (uses):				
Transfers in	-	-	2,495	2,495
Transfers out	(50,000)	(50,000)	(50,000)	-
Total other financing sources (uses)	(50,000)	(50,000)	(47,505)	2,495
Net change in fund balance	16,568	69,526	184,874	115,348
Fund balances, October 1	445,449	536,631	536,631	-
Fund balances, September 30	$ 462,017	$ 606,157	$ 721,505	$ 115,348

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Wireless 911 Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
911 revenue	$ 663,131	$ 668,833	$ 660,172	$ (8,661)
Intergovernmental revenue	-	620,738	620,738	-
Interest revenue	21,551	30,716	41,971	11,255
Total revenues	684,682	1,320,287	1,322,881	2,594
Expenditures:				
Public safety	13,400	13,400	-	13,400
Capital outlay	65,000	685,738	484,095	201,643
Total expenditures	78,400	699,138	484,095	215,043
Excess (deficiency) of revenues over (under) expenditures	606,282	621,149	838,786	217,637
Other financing sources (uses):				
Transfers out	(650,000)	(650,000)	(650,000)	-
Total other financing sources (uses)	(650,000)	(650,000)	(650,000)	-
Net change in fund balance	(43,718)	(28,851)	188,786	217,637
Fund balances, October 1	471,271	569,060	569,060	-
Fund balances, September 30	$ 427,553	$ 540,209	$ 757,846	$ 217,637

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - PEG Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Franchise taxes	$ 170,855	$ 163,417	$ 168,620	$ 5,203
Interest revenue	33,246	52,490	59,726	7,236
Total revenues	204,101	215,907	228,346	12,439
Expenditures:				
General government	-	-	39,149	(39,149)
Capital outlay	175,000	151,000	63,409	87,591
Total expenditures	175,000	151,000	102,558	48,442
Excess (deficiency) of revenues over (under) expenditures	29,101	64,907	125,788	60,881
Net change in fund balance	29,101	64,907	125,788	60,881
Fund balances, October 1	936,782	956,420	956,420	-
Fund balances, September 30	$ 965,883	$ 1,021,327	$ 1,082,208	$ 60,881

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Drainage Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest revenue	$ 122,144	$ 182,077	$ 232,129	$ 50,052
Drainage fees	3,246,000	3,227,926	3,222,028	(5,898)
Total revenues	3,368,144	3,410,003	3,454,157	44,154
Expenditures:				
Public services	1,282,151	1,287,025	1,069,168	217,857
General administration	968,366	968,366	968,366	-
Capital outlay	2,462,763	483,926	289,990	193,936
Total expenditures	4,713,280	2,739,317	2,327,524	411,793
Excess (deficiency) of revenues over (under) expenditures	(1,345,136)	670,686	1,126,633	455,947
Net change in fund balance	(1,345,136)	670,686	1,126,633	455,947
Fund balances, October 1	929,401	3,240,334	3,240,334	-
Fund balances, September 30	$ (415,735)	$ 3,911,020	$ 4,366,967	$ 455,947

CITY OF RICHARDSON, TEXAS

Budgetary Comparison Schedule - Richardson Improvement Corporation Fund

For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest revenue	$ 10	$ -	$ -	$ -
Total revenues	10	-	-	-
Expenditures:				
Parks and recreation	12,500	10,620	9,879	741
Total expenditures	12,500	10,620	9,879	741
Excess (deficiency) of revenues over (under) expenditures	(12,490)	(10,620)	(9,879)	741
Net change in fund balance	(12,490)	(10,620)	(9,879)	741
Fund balances, October 1	20,955	31,179	31,179	-
Fund balances, September 30	$ 8,465	$ 20,559	$ 21,300	$ 741

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Economic Development
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Amounts	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest revenue (temporary loss)	$ 223,248	$ 350,097	$ 411,556	$ 61,459
Total revenues	223,248	350,097	411,556	61,459
Expenditures:				
General government	1,443,876	2,290,728	771,873	1,518,855
Total expenditures	1,443,876	2,290,728	771,873	1,518,855
Excess (deficiency) of revenues over (under) expenditures	(1,220,628)	(1,940,631)	(360,317)	1,580,314
Other financing sources (uses):				
Transfers in	1,997,766	1,997,766	1,997,766	-
Total other financing sources (uses)	1,997,766	1,997,766	1,997,766	-
Net change in fund balance	777,138	57,135	1,637,449	1,580,314
Fund balances, October 1	5,309,538	5,496,741	5,496,741	-
Fund balances, September 30	$ 6,086,676	$ 5,553,876	$ 7,134,190	$ 1,580,314

CITY OF RICHARDSON, TEXAS
Budgetary Comparison Schedule - Golf Fund
For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual	Variance with Final Budget- Positive
	Original	Final	Amounts	(Negative)
Revenues:				
Golf course revenue	$ 1,903,250	$ 2,173,505	$ 2,377,646	$ 204,141
Golf course restaurant	33,320	35,320	46,430	11,110
Interest	26,878	53,687	62,003	8,316
Other miscellaneous	8,200	126,240	179,895	53,655
Total revenues	1,971,648	2,388,752	2,665,974	277,222
Expenditures:				
General administration	229,027	229,027	229,026	1
Parks and recreation	2,563,169	2,604,293	2,446,291	158,002
Capital outlay	-	-	481,306	(481,306)
Interest and fiscal charges	-	-	2,469	(2,469)
Payments for other obligations	-	-	96,865	(96,865)
Total expenditures	2,792,196	2,833,320	3,255,957	(422,637)
Excess (deficiency) of revenues over (under) expenditures	(820,548)	(444,568)	(589,983)	(145,415)
Other financing sources (uses):				
Transfers in	595,000	-	-	-
Transfers out	-	(167,310)	(300,000)	(132,690)
Issuance of certificates of obligation	-	-	481,306	481,306
Total other financing sources (uses)	595,000	(167,310)	181,306	348,616
Net change in fund balance	(225,548)	(611,878)	(408,677)	203,201
Fund balances, October 1	553,070	1,111,762	1,111,762	-
Fund balances, September 30	$ 327,522	$ 499,884	$ 703,085	$ 203,201

CITY OF RICHARDSON, TEXAS

Budgetary Comparison Schedule - Ann & Charles Eisemann Edge Permanent Fund

For the Fiscal Year Ended September 30, 2024

	Budgeted Amounts		Actual Basis	Variance with Final Budget- Positive (Negative)
	Original	Final		
Revenues:				
Interest revenue (temporary loss)	$ 9,372	$ 13,378	$ 13,996	$ 618
Contributions	-	156	166	10
Total revenues	9,372	13,534	14,162	628
Expenditures:				
Excess (deficiency) of revenues over (under) expenditures	9,372	13,534	14,162	628
Net change in fund balance	9,372	13,534	14,162	628
Fund balances, October 1	233,656	236,918	236,918	-
Fund balances, September 30	$ 243,028	$ 250,452	$ 251,080	$ 628

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF RICHARDSON, TEXAS
Nonmajor Governmental Funds - Internal Service Funds
September 30, 2024

Internal Service Funds are used to account for the financing of goods or services provided by certain departments to other departments within the City. The City uses three internal service funds.

Central Services Fund - This fund accounts for warehouse, mail, and records management operations of the City on a cost-reimbursement basis.

Insurance Fund - This fund accounts for the health insurance program provided by the City to its employees and to their dependents, as well as retirees, on a subsidized cost basis.

Technology Replacement Fund - This fund accounts for costs of replacing information technology hardware and software related to legacy ERP and Traffic systems.

CITY OF RICHARDSON, TEXAS
Combining Statement of Net Position - All Internal Service Funds
September 30, 2024

	Central Services Fund	Insurance Fund	Technology Replacement Fund	Total
Assets:				
Current assets:				
Cash, cash equivalents, and investments	$ 391,121	$ 1,319,195	$ 4,079,173	$ 5,789,489
Investments	-	15,821,022	-	15,821,022
Inventories	463,565	-	-	463,565
Prepaid items	-	46,258	-	46,258
Total current assets	854,686	17,186,475	4,079,173	22,120,334
Capital and intangible right-to-use assets:				
Land	56,011	-	-	56,011
Buildings	259,990	-	-	259,990
Improvements	23,023	-	-	23,023
Vehicles, machinery and equipment	372,762	-	63,411	436,173
Intangible right-to-use assets	254,743	-	-	254,743
SBITA Assets	-	-	5,785,559	5,785,559
Total capital and intangible right-to-use assets	966,529	-	5,848,970	6,815,499
Less: Accumulated depreciation	(600,080)	-	(13,777)	(613,857)
Less: Leases accumulated amortization	(59,376)	-	-	(59,376)
Less: SBITA accumulated amortization	-	-	(1,529,784)	(1,529,784)
Total capital and intangible right-to-use assets, net of accumulated depreciation and amortization	307,073	-	4,305,409	4,612,482
Total assets	1,161,759	17,186,475	8,384,582	26,732,816
Deferred outflows of resources:				
Pension contributions, investment experience and assumptions	261,372	135,104	-	396,476
OPEB contributions, investment experience and assumptions	13,412	10,305	-	23,717
Total deferred outflows of resources	274,784	145,409	-	420,193
Liabilities:				
Current liabilities:				
Accounts payable	268	668,481	76,092	744,841
Accrued liabilities	8,359	24,052	-	32,411
Accrued interest	85	-	62,611	62,696
Unpaid claims liabilities	-	1,104,705	-	1,104,705
Current maturities of bonds, leases and contractual obligations	48,555	-	802,714	851,269
OPEB liability	6,205	6,307	-	12,512
Compensated absences	8,020	4,518	-	12,538
Total current liabilities	71,492	1,808,063	941,417	2,820,972
Noncurrent liabilities:				
Bonds, leases and contractual obligations	139,632	-	3,796,788	3,936,420
OPEB liability	132,237	134,417	-	266,654
Net pension liability (asset)	379,835	182,977	-	562,812
Compensated absences	64,888	36,554	-	101,442
Total noncurrent liabilities	716,592	353,948	3,796,788	4,867,328
Total liabilities	788,084	2,162,011	4,738,205	7,688,300
Deferred inflows of resources:				
Pension actuarial experience	24,641	14,785	-	39,426
OPEB assumptions	56,348	33,413	-	89,761
Total deferred inflows of resources	80,989	48,198	-	129,187
Net position:				
Net investment in capital assets	118,886	-	(294,093)	(175,207)
Unrestricted	448,584	15,121,675	3,940,470	19,510,729
Total net position	$ 567,470	$ 15,121,675	$ 3,646,377	$ 19,335,522

CITY OF RICHARDSON, TEXAS

Combining Statement of Revenues, Expenses, and Changes in Fund Net Position - All Internal Service Funds

For the Fiscal Year Ended September 30, 2024

	Central Services Fund	Insurance Fund	Technology Replacement Fund	Total
Operating revenues:				
Charges for services	$ 668,269	$ -	$ 2,350,000	$ 3,018,269
City and employee contributions	-	17,345,628	-	17,345,628
Miscellaneous	-	1,309,588	-	1,309,588
Total operating revenues	668,269	18,655,216	2,350,000	21,673,485
Operating expenses:				
Personal services	415,644	2,505,904	-	2,921,548
Professional and technical services	1,969	1,011,194	-	1,013,163
Property services	16,557	-	1,282,684	1,299,241
Other purchased services	-	67,764	55,286	123,050
Insurance claims	-	15,294,375	-	15,294,375
Supplies	26,947	-	160,478	187,425
Depreciation	5,650	-	9,142	14,792
Amortization	50,955	-	764,892	815,847
Total operating expenses	517,722	18,879,237	2,272,482	21,669,441
Operating income (loss)	150,547	(224,021)	77,518	4,044
Nonoperating revenues (expenses):				
Interest revenue	37,386	896,112	285,911	1,219,409
Interest expense and fiscal charges	(5,558)	-	(225,424)	(230,982)
Total nonoperating revenues (expenses)	31,828	896,112	60,487	988,427
Change in net position	182,375	672,091	138,005	992,471
Net position, October 1	385,095	14,449,584	3,508,372	18,343,051
Net position, September 30	$ 567,470	$ 15,121,675	$ 3,646,377	$ 19,335,522

CITY OF RICHARDSON, TEXAS
Combining Statement of Cash Flows
Internal Service Funds
For the Fiscal Year Ended September 30, 2024

	Central Services Fund	Insurance Fund	Technology Replacement Fund	Total
Cash flows from operating activities:				
Cash received from service users	$ 668,269	$ -	$ 2,350,000	$ 3,018,269
Cash received from City, employee, and other contributions	-	18,655,216	-	18,655,216
Cash payments to employees	(466,900)	(2,496,661)	-	(2,963,561)
Cash payments for claims	-	(15,167,261)	-	(15,167,261)
Cash payments for goods and services	(189,809)	(888,691)	(1,520,382)	(2,598,882)
Net cash provided by (used in) operating activities	11,560	102,603	829,618	943,781
Cash from capital and related financing activities:				
Acquisition and construction of capital and intangible right-to-use assets	(27,607)	-	(29,185)	(56,792)
Bond proceeds and accrued interest	27,607	-	-	27,607
Principal paid on debt	(57,355)	-	(732,304)	(789,659)
Interest paid on debt	(5,572)	-	(162,813)	(168,385)
Net cash provided by (used in) capital and related financing activities	(62,927)	-	(924,302)	(987,229)
Cash flows from investing activity:				
Purchase of investment securities	-	(821,022)	-	(821,022)
Interest received on investments	37,386	896,112	285,911	1,219,409
Net cash provided by (used in) investing activities	37,386	75,090	285,911	398,387
Net increase (decrease) in cash and cash equivalents	(13,981)	177,693	191,227	354,939
Cash and cash equivalents, October 1	405,102	1,141,502	3,887,946	5,434,550
Cash and cash equivalents, September 30	$ 391,121	$ 1,319,195	$ 4,079,173	$ 5,789,489
Reconciliation of operating income (loss) to net cash provided by (used in) operating activities:				
Operating income (loss)	$ 150,547	$ (224,021)	$ 77,518	$ 4,044
Adjustments to reconcile operating income (loss) to net cash provided by (used in) operating activities				
Depreciation and amortization	56,605	-	774,034	830,639
Changes in assets and liabilities:				
(Increase)Decrease in inventory of supplies	(131,744)	-	-	(131,744)
Increase(Decrease) in accounts payable	(13,937)	172,642	(21,934)	136,771
Increase(Decrease) in unpaid claims liabilities	-	127,114	-	127,114
Increase(Decrease) in compensated absences	2,889	21,458	-	24,347
Increase(Decrease) in post-employment benefits	3,280	1,967	-	5,247
Increase(Decrease) in pension liabilities	(134,531)	(80,719)	-	(215,250)
Increase(Decrease) in accrued liabilities	1,345	17,625	-	18,970
Increase(Decrease) in deferred inflows/outlows	77,106	66,537	-	143,643
Total adjustments	(138,987)	326,624	752,100	939,737
Net cash provided by (used in) operating activities:	$ 11,560	$ 102,603	$ 829,618	$ 943,781
Reconciliation of cash and cash equivalents to the statement of net position:				
Total cash and investments per the statement of net position	$ 391,121	$ 1,319,195	$ 4,079,173	$ 5,789,489
Cash and cash equivalents at September 30, 2024	$ 391,121	$ 1,319,195	$ 4,079,173	$ 5,789,489
Footnote 1 - The following are noncash financing activities:				
Acquisition of asset and liability utilizing lease agreements	27,607	-	-	27,607
Acquisition of asset and liability utilizing SBITA	-	-	-	-

THIS PAGE LEFT BLANK INTENTIONALLY

STATISTICAL SECTION

RICHARDSON®
TEXAS

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF RICHARDSON, TEXAS
Statistical Section
September 30, 2024

Tables in the statistical section present detailed information as a context for understanding what the information in the financial statements, note disclosures, and required supplementary information says about the overall financial health of the City.

	Pages
Financial Trends – These schedules contain trend information to help the reader understand how the City's financial performance and well-being have changed over time.	139 - 145
Revenue Capacity - These schedules contain information to help the reader assess the City's most significant local revenue source, the property tax.	146 - 149
Debt Capacity - These schedules present information to help the reader assess the City's current levels of outstanding debt and the City's ability to issue additional debt in the future.	150 - 154
Demographic and Economic Information - These schedules offer demographic and economic indicators to help the reader understand the environment within which the City's financial activities take place.	155 - 156
Operating Information - These schedules contain service and infrastrucutre data to help the reader understand how the information in the City's financial report relates to the services the City provides and the activities it performs.	157 - 159
Pension Information - This schedule contains information regarding pension benefits funding progress.	160

Sources: Unless otherwise noted, the information in these schedules is derived from the annual comprehensive financial reports for the relevant year.

THIS PAGE LEFT BLANK INTENTIONALLY

Table 1

CITY OF RICHARDSON, TEXAS

Statement of Net Position by Component*
Last Ten Fiscal Years
(In Thousands)
(unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Governmental activities:										
Net investment in capital assets	$ 246,251	$ 258,618	$ 237,511	$ 215,347	$ 179,372	$ 156,267	$ 150,625	$ 110,728	$ 130,402	$ 134,199
Restricted	110,895	61,655	30,114	20,174	16,090	13,653	9,692	26,607	10,682	10,511
Unrestricted	37,532	9,711	(189)	(22,904)	(15,973)	(30,919)	(31,515)	(23,077)	(19,160)	(23,943)
Total governmental activities net position	$ 394,678	$ 329,984	$ 267,436	$ 212,617	$ 179,489	$ 139,001	$ 128,802	$ 114,258	$ 121,924	$ 120,767
Business-type activities:										
Net investment in capital assets	$ 60,776	$ 51,381	$ 54,163	$ 56,716	$ 57,032	$ 57,513	$ 57,169	$ 56,619	$ 55,464	$ 51,770
Restricted	40,098	27,726	36,178	24,197	17,005	5,172	3,071	3,016	3,262	5,464
Unrestricted	26,518	34,374	10,894	5,971	8,630	14,243	15,512	12,823	12,427	10,694
Total business-type activities net position	$ 127,391	$ 113,481	$ 101,235	$ 86,884	$ 82,667	$ 76,928	$ 75,752	$ 72,458	$ 71,153	$ 67,928
Primary government:										
Net investment in capital assets	$ 307,027	$ 309,999	$ 291,674	$ 272,063	$ 236,404	$ 213,780	$ 207,794	$ 167,347	$ 185,866	$ 185,969
Restricted	150,993	89,381	66,292	44,371	33,095	18,825	12,763	29,623	13,944	15,975
Unrestricted	64,050	44,085	10,705	(16,933)	(7,343)	(16,676)	(16,003)	(10,254)	(6,733)	(13,249)
Total primary government net position	$ 522,070	$ 443,465	$ 368,671	$ 299,501	$ 262,156	$ 215,929	$ 204,554	$ 186,716	$ 193,077	$ 188,695

* The City implemented GASB Statement 75 in FY 2018. The amounts for fiscal year 2017 were restated for the effects of these standards in FY 2018.

CITY OF RICHARDSON, TEXAS

Changes in Net Position*
Last ten fiscal years
(In thousands)
(Accrual Basis of Accounting)
(unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Expenses:										
Governmental activities:										
General government	$ 66,931	$ 55,626	$ 40,753	$ 45,672	$ 36,981	$ 50,473	$ 36,545	$ 60,771	$ 45,754	$ 36,761
Public safety	75,592	73,276	58,295	62,940	61,902	61,285	56,951	56,883	54,796	48,745
Public services	42,872	38,986	38,960	36,151	33,526	37,633	30,921	32,108	34,955	30,588
Library	4,455	4,649	3,627	3,590	4,473	4,433	4,217	4,339	4,311	4,161
Parks and recreation	21,123	20,398	17,089	17,450	17,379	20,114	19,259	19,813	18,987	18,310
Public health	2,415	2,392	1,583	1,645	(2,043)	2,228	2,173	2,185	2,054	1,807
Interest and fiscal charges	12,047	11,405	12,399	12,319	12,386	14,417	12,984	11,136	9,524	9,884
Total governmental activities expenses	225,436	206,732	172,706	179,767	168,690	190,583	163,050	187,235	170,381	150,256
Business-type activities:										
Water and sewer	100,168	95,681	84,797	82,101	83,298	81,682	76,642	71,437	63,836	59,159
Solid waste	17,981	17,283	14,062	14,233	14,521	15,003	14,369	14,509	14,418	13,725
Total business-type activities expenses	118,149	112,964	98,859	96,334	97,819	96,685	91,011	85,946	78,254	72,884
Total primary government expenses	$ 343,585	$ 319,696	$ 271,565	$ 276,101	$ 266,509	$ 287,268	$ 254,061	$ 273,181	$ 248,635	$ 223,140
Program revenues:										
Governmental activities:										
Charges for services:										
General government	$ 14,084	$ 3,058	$ 3,236	$ 1,911	$ 2,207	$ 6,266	$ 4,736	$ 6,025	$ 6,027	$ 3,398
Public safety	8,263	7,327	6,967	9,438	8,154	8,872	7,977	7,867	9,421	9,691
Public services	6,520	6,715	5,418	5,975	5,610	5,887	5,947	6,940	10,200	6,152
Library	16	17	44	41	31	-	-	-	-	-
Parks and recreation	6,977	7,182	6,236	4,900	4,389	6,138	6,281	6,367	6,110	5,328
Public health	1,051	521	378	721	385	429	615	369	346	340
Operating grants and contributions	8,363	16,050	3,877	4,562	10,896	2,564	7,241	1,821	3,689	967
Capital grants and contributions	1,624	112	4,177	735	2,912	424	429	4,468	1,819	8,168
Total governmental activities program revenues	46,898	40,982	30,333	28,283	34,584	30,580	33,226	33,857	37,612	34,044
Business-type activities:										
Charges for services:										
Water and sewer	108,659	104,338	95,926	84,392	86,814	80,911	78,920	68,876	63,914	60,310
Solid waste	18,519	17,333	16,219	15,257	15,026	14,832	14,614	14,679	13,345	13,047
Operating grants and contributions	-	-	-	-	-	-	6	-	-	-
Cap grants and contributions-Water and sewer	-	627	967	613	603	1,046	1,974	3,416	4,032	1,549
Cap grants and contributions-Solid waste	-	-	-	-	-	-	-	41	-	-
	-	627	967	613	603	1,046	1,974	3,457	4,032	1,549
Total business-type activities program revenues	127,178	122,298	113,112	100,262	102,443	96,789	95,514	87,012	81,291	74,906
Total primary government program revenues	$ 174,075	$ 163,280	$ 143,445	$ 128,545	$ 137,027	$ 127,369	$ 128,740	$ 120,869	$ 118,903	$ 108,950

(Continued)

CITY OF RICHARDSON, TEXAS

Changes in Net Position (Continued)
Last ten fiscal years
(In thousands)
(Accrual Basis of Accounting)
(unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Net (expense) revenue:										
Governmental activities	$ (178,537)	$ (165,750)	$ (142,373)	$ (151,484)	$ (134,106)	$ (160,003)	$ (129,824)	$ (153,378)	$ (132,769)	$ (116,212)
Business-type activities	9,028	9,334	14,253	3,928	4,624	104	4,503	1,066	3,037	2,022
Total primary government net expense	$ (169,509)	$ (156,416)	$ (128,120)	$ (147,556)	$ (129,482)	$ (159,899)	$ (125,321)	$ (152,312)	$ (129,732)	$ (114,190)
General revenues:										
Governmental activities:										
Taxes:										
Property	$ 132,912	$ 125,456	$ 120,906	$ 118,829	$ 110,279	$ 103,685	$ 96,107	$ 87,312	$ 78,761	$ 70,677
Sales	53,763	58,105	53,413	45,810	41,535	40,164	35,357	36,044	33,660	31,065
Other taxes	5,900	5,703	4,685	2,903	2,998	4,896	4,861	4,863	4,979	4,460
Franchise	19,462	19,287	17,975	16,601	17,184	17,331	17,415	16,446	16,058	15,647
Unrestricted interest earnings (temporary loss)	17,473	12,484	141	305	2,769	4,025	2,324	724	399	137
Insurance and other recoveries	14,222	7,784	-	-	-	-	-	-	-	-
Transfers	(570)	-	-	-	(206)	(196)	(250)	-	-	(2,064)
Gain on sale of assets	69	(525)	55	160	33	97	727	323	69	78
Contributions to permanent fund principal	-	2	14	1	1	200	-	-	-	-
Total governmental activities	243,232	228,296	197,189	184,609	174,593	170,202	156,541	145,712	133,926	120,000
Business-type activities:										
Unrestricted interest earnings (temporary loss)	4,247	2,804	(52)	68	683	774	458	164	109	47
Transfers	570	-	-	-	206	196	250	-	-	2,064
Gain on sale of assets	65	107	150	222	225	103	241	74	80	109
Total business-type activities	4,882	2,911	98	290	1,114	1,073	949	238	189	2,220
Total primary government	$ 248,114	$ 231,207	$ 197,287	$ 184,899	$ 175,707	$ 171,275	$ 157,490	$ 145,950	$ 134,115	$ 122,220
Change in net position:										
Governmental activities	$ 64,695	$ 62,547	$ 54,816	$ 33,125	$ 40,487	$ 10,199	$ 26,717	$ (7,666)	$ 1,157	$ 3,788
Business-type activities	13,910	12,245	14,351	4,218	5,738	1,177	5,452	1,304	3,226	4,242
Total primary government	$ 78,605	$ 74,793	$ 69,167	$ 37,343	$ 46,225	$ 11,376	$ 32,169	$ (6,362)	$ 4,383	$ 8,030

THIS PAGE LEFT BLANK INTENTIONALLY

CITY OF RICHARDSON, TEXAS

Fund Balances, Governmental Funds
Last Ten Fiscal Years (In Thousands)
(unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General Fund:										
Nonspendable	$ 529	$ 651	$ 688	$ 697	$ 515	$ 552	$ 595	$ 666	$ 720	$ 933
Assigned	1,236	997	1,456	847	13,696	4,541	532	598	634	800
Unassigned	44,410	42,701	39,193	38,814	30,836	27,856	23,858	21,612	19,788	18,007
Total general fund	$ 46,175	$ 44,349	$ 41,337	$ 40,358	$ 45,047	$ 32,949	$ 24,985	$ 22,876	$ 21,142	$ 19,740
All other governmental funds:										
Nonspendable:										
Property held for redevelopment and resale	$ -	$ -	$ -	$ -	$ -	$ -	$ -	$ 274	$ 274	$ 274
Prepaid items	110	69	23	9	2	61	83	62	65	120
Inventory	206	-	-	-	-	-	-	-	-	-
Permanent fund principal	251	237	216	202	201	200	-	-	-	-
Restricted for:										
Debt service	3,630	3,899	3,815	6,281	3,328	3,192	3,083	2,794	2,653	2,381
Library	-	-	-	1,035	-	-	172	-	89	26
Parks and recreation projects	1,343	11,330	132	1,883	2,668	-	5,371	836	471	1,156
Public services	41,990	34,248	56,441	39,000	15,631	16,359	27,683	18,978	4,800	5,544
Neighborhood vitality projects	-	-	-	-	-	-	-	-	-	1,745
Municipal public buildings	-	-	-	-	-	-	-	-	-	27
Capital projects	84,747	53,257	4,356	-	1,481	-	1,955	1,379	1,226	1,608
General government	39,968	38,480	16,511	27,351	12,021	8,380	6,164	4,432	3,921	4,415
Health/animal shelter	-	-	-	-	-	-	26	-	68	40
Public safety	1,648	1,695	2,435	5,749	32,704	49,119	44,232	26,187	3,726	2,147
Committed for:										
General government	7,113	5,496	4,609	4,179	4,370	3,716	2,734	1,873	1,211	-
Public services	4,367	3,240	2,028	3,898	4,128	4,027	4,357	3,208	2,557	2,841
Parks and recreation	703	1,104	559	1,437	448	219	164	195	107	-
Assigned for:										
Public services	18,620	15,561	20,505	22,999	5,534	1,255	1,255	1,553	2,457	90
Public safety	504	817	1,139	1,719	367	-	-	-	3	44
Library	-	-	36	398	-	-	-	-	-	-
Parks and recreation	2,338	1,756	2,704	4,357	2,500	67	77	83	767	225
Health	-	-	44	-	-	-	-	-	-	-
Capital projects	41,635	52,309	27,180	4,153	6,927	9,465	9,359	6,012	7,630	2,578
General government	27,232	10,781	8,274	6,771	4,776	3,625	3,770	3,026	3,179	2,120
Unassigned:	-	-	(62)	(136)	(2)	-	-	-	-	-
Total all other governmental funds	$ 276,405	$ 234,279	$ 150,945	$ 131,285	$ 97,084	$ 99,685	$ 110,485	$ 70,892	$ 35,204	$ 27,381

CITY OF RICHARDSON, TEXAS

Changes in Fund Balances, Governmental Funds
Last ten fiscal years
(In thousands)
(unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Revenues:										
Property taxes	$ 132,736	$ 125,235	$ 120,871	$ 118,421	$ 110,508	$ 103,706	$ 95,825	$ 87,317	$ 78,762	$ 70,744
Franchise taxes	19,462	19,287	17,975	16,601	17,184	17,331	17,416	16,446	16,058	15,647
Sales tax	53,763	58,105	53,413	45,810	41,535	40,164	35,357	36,044	33,660	31,065
Mixed beverage and bingo tax	811	789	729	607	545	651	616	587	543	523
Hotel/motel taxes	5,089	4,915	3,956	2,296	2,453	4,245	4,245	4,276	4,436	3,937
Drainage fees	3,222	3,228	2,889	2,891	2,842	2,817	2,765	2,754	2,755	2,702
911 revenue	1,187	1,231	1,352	1,317	1,361	1,655	1,656	1,727	1,727	1,731
Intergovernmental										
Intergovernmental revenue	11,142	16,630	7,121	6,794	13,513	3,761	3,905	4,034	4,927	4,866
Licenses and permits	3,427	3,112	2,630	3,166	2,766	3,168	2,890	4,253	4,638	3,380
Fines and forfeitures	1,986	2,016	2,002	3,572	3,102	3,560	3,493	3,461	5,042	5,461
Interest revenue (temporary loss)	19,772	12,148	216	273	2,543	3,774	2,200	685	375	134
Civic center use	-	-	-	-	121	355	249	268	315	300
Eisemann center revenue	2,954	2,687	2,040	506	1,125	2,423	2,324	2,543	2,232	2,143
Recreation and leisure	6,806	7,159	6,101	4,827	4,341	6,094	6,227	6,336	6,064	5,302
Public safety	3,726	3,970	3,250	2,744	3,565	3,468	2,631	2,636	2,602	2,434
Contributions	219	73	85	65	171	565	431	194	261	256
Participation	-	-	-	433	365	38	52	-	405	2,257
Other	1,010	1,055	944	914	865	821	1,282	1,399	1,644	1,129
General administration	10,144	9,558	8,608	8,404	8,300	8,309	8,010	7,955	8,054	8,128
Total revenues	$ 277,456	$ 271,198	$ 234,182	$ 219,641	$ 217,205	$ 206,905	$ 191,574	$ 182,915	$ 174,500	$ 162,139
Expenditures:										
General government	58,169	52,342	45,444	48,376	37,940	50,860	37,209	60,986	45,649	37,401
Public safety	71,378	63,121	59,387	56,728	56,362	54,259	51,800	49,976	47,917	44,415
Public services	29,281	27,339	29,738	26,822	23,680	26,627	21,119	22,136	25,288	22,142
Library	4,417	4,026	3,766	3,467	4,067	3,872	3,836	3,754	3,640	3,543
Parks and recreation	17,807	16,087	15,467	14,622	13,744	15,166	15,179	15,443	14,349	14,339
Public health	2,387	2,120	1,844	1,754	1,878	2,015	2,030	1,982	1,863	1,673
General administration	1,353	1,318	1,400	1,111	1,108	1,106	1,082	1,058	2,013	2,028
Capital outlay	78,960	64,412	37,655	35,277	44,637	62,652	48,420	29,967	28,386	38,419
Debt service:										
Principal retirement	35,020	34,830	35,815	28,830	29,525	27,490	26,685	24,614	19,860	19,300
Interest and fiscal charges	16,845	13,311	12,764	13,920	14,413	14,911	12,478	10,950	11,316	10,344
Payments for other obligations	6,962	4,785	5,666	5,583	4,812	5,258	4,838	2,954	2,584	902
Issuance costs	595	682	233	372	493	394	564	509	342	541
Total expenditures	$ 323,174	$ 284,373	$ 249,179	$ 236,862	$ 232,659	$ 264,610	$ 225,240	$ 224,329	$ 203,207	$ 195,047
Deficiency of revenues under expenditures	(45,718)	(13,175)	(14,997)	(17,221)	(15,454)	(57,705)	(33,666)	(41,414)	(28,707)	(32,908)

(Continued)

Table 4

CITY OF RICHARDSON, TEXAS
Changes in Fund Balances, Governmental Funds
Last ten years fiscal years
(continued)
(In thousands)
(unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Other financing sources (uses):										
Transfers in	$ 21,459	$ 31,336	$ 30,212	$ 30,872	$ 14,857	$ 10,476	$ 9,961	$ 9,610	$ 10,011	$ 6,503
Transfers out	(22,028)	(31,336)	(30,212)	(30,872)	(14,857)	(10,476)	(9,961)	(9,610)	(10,011)	(9,531)
Issuance of certificates of obligation	5,213	33,580	1,305	18,610	6,055	20,990	26,290	30,930	4,045	17,270
Issuance of general obligation bonds	62,915	43,885	28,915	12,630	15,015	16,790	38,525	19,725	8,265	-
Issuance of refunding bonds	-	-	-	-	40,425	-	-	-	14,020	45,741
Issuance of other obligations	1,701	5,982	3,354	12,855	2,076	14,498	5,667	26,042	22,252	10,654
Premium/discount on bonds	5,498	7,541	1,111	2,181	9,137	1,866	3,946	1,660	2,720	277
Payment to refunded bond escrow agent	-	-	-	-	(48,241)	-	-	-	(15,904)	(45,341)
Insurance and other recoveries	14,843	7,791	886	231	310	598	182	137	2,459	190
Proceeds from sale of capital assets	70	744	64	226	174	127	758	342	74	84
Total other financing sources	89,671	99,523	35,635	46,733	24,951	54,869	75,368	78,836	37,931	25,847
Net change in fund balances	$ 43,952	$ 86,348	$ 20,638	$ 29,512	$ 9,497	$ (2,836)	$ 41,702	$ 37,422	$ 9,224	$ (7,061)
Debt service as a percentage of non-capital expenditures	21.24 %	21.89 %	22.97 %	21.21 %	23.37 %	20.99 %	22.15 %	18.30 %	17.83 %	18.93 %

Table 5

CITY OF RICHARDSON, TEXAS

Assessed Value and Estimated Actual Value of Taxable Property
Last Ten Fiscal Years
(unaudited)

Fiscal year ended September 30	Residential Property	Commercial Property	Industrial Property	Less Total Exemptions/ Reductions	Total Taxable Assessed Value (1)	Total Direct Tax Rate
2024	$ 11,539,731,596	$ 17,258,880,895	$ 1,523,269,547	$ 8,724,423,137	$ 21,597,458,901	0.56095
2023	10,349,941,255	15,695,227,208	540,483,940	6,794,637,052	19,791,015,351	0.56095
2022	9,048,103,417	13,412,313,024	539,281,873	5,306,504,226	17,693,194,088	0.61516
2021	8,601,187,678	12,826,442,876	555,893,645	5,366,562,279	16,616,961,920	0.62516
2020	8,480,364,539	12,298,386,470	860,767,880	5,363,499,560	16,276,019,329	0.62516
2019	8,097,909,289	11,047,973,089	906,275,735	4,878,398,254	15,173,759,859	0.62516
2018	7,194,755,916	10,509,751,876	790,424,823	4,410,302,957	14,084,629,658	0.62516
2017	6,565,413,521	9,497,512,380	754,632,663	3,818,620,376	12,998,938,188	0.62516
2016	5,742,269,842	8,281,055,896	748,742,290	3,231,115,761	11,540,952,267	0.63516
2015	5,361,295,791	6,859,193,040	909,835,399	2,322,046,075	10,808,278,155	0.63516

Source: Dallas and Collin County Central Appraisal District, and the City's records.

(1) Net of Tax Increment Financing (TIF) Districts values and values in dispute at the time of certification.

Table 6

CITY OF RICHARDSON, TEXAS

Direct and Overlapping Property Tax Rates
Last Ten Fiscal Years
(Per $100 of Assessed Value)
(unaudited)

	City Direct Rates			Overlapping Rates								
Fiscal year	Operations and Maintenance Rate	Interest and Sinking Rate	Total	Richardson ISD	Plano ISD	Garland ISD	Collin County	Dallas County	Collin College	Dallas College	Dallas County Hospital District	Dallas County School Equalization Fund
2024	$ 0.343160	$ 0.217790	$ 0.560950	$ 1.143100	$ 1.077850	$ 1.053200	$ 0.149343	$ 0.215718	$ 0.081220	$ 0.110028	$ 0.219500	$ -
2023	0.343160	0.217790	0.560950	1.314600	1.259750	1.172500	0.152443	0.217946	0.081220	0.115899	0.235800	0.010000
2022	0.377200	0.237950	0.615150	1.390900	1.320750	1.256300	0.168070	0.227946	0.081220	0.123510	0.255000	0.010000
2021	0.381240	0.243920	0.625160	1.404700	1.323750	1.256300	0.172531	0.239740	0.124000	0.124000	0.266100	0.010000
2020	0.381240	0.243920	0.625160	1.418350	1.337350	1.390000	0.174951	0.243100	0.081222	0.124000	0.269500	0.010000
2019	0.374130	0.251030	0.625160	1.520000	1.439000	1.460000	0.180785	0.243100	0.081222	0.124000	0.279400	0.010000
2018	0.370310	0.254850	0.625160	1.390050	1.439000	1.460000	0.192246	0.243100	0.079810	0.124238	0.279400	0.010000
2017	0.370310	0.254850	0.625160	1.390050	1.439000	1.460000	0.208395	0.243100	0.081222	0.122933	0.279400	0.010000
2016	0.380310	0.254850	0.635160	1.340050	1.439000	1.353300	0.225000	0.243100	0.081960	0.123650	0.286000	0.010000
2015	0.370310	0.264850	0.635160	1.340050	1.448000	1.253300	0.235000	0.243100	0.081960	0.124775	0.286000	0.010000

Source: Dallas County Central Appraisal District, Collin County Central Appraisal District, and the City's records.
Notes: Tax rates are per $100 of assessed value.

CITY OF RICHARDSON, TEXAS
Principal Property Taxpayers
Current Year and Nine Years Ago
(unaudited)

	2024			2015		
Name of Taxpayer	**Taxable Assessed Value (a)**	**Rank**	**Percentage of Total City Taxable Assessed Value (b)**	**Taxable Assessed Value (a)**	**Rank**	**Percentage of Total City Taxable Assessed Value (c)**
Texas Instruments	$ 745,233,804	1	3.08 %	$ 94,226,805	10	0.84 %
Corporate Properties Trust (d)	722,623,725	2	2.99	-	-	-
Collins Technology Park Partners	578,938,140	3	2.39	205,006,700	4	1.82
Bank of America	501,590,713	4	2.07	237,360,605	1	2.11
Health Care Service Corporation	349,887,425	5	1.45	221,795,557	2	1.97
Qorvo	347,397,108	6	1.44	-	-	-
Linkedin	327,143,160	7	1.35	-	-	-
Verizon	224,875,272	8	0.93	137,043,528	5	1.22
Cisco Systems	221,902,657	9	0.92	214,003,213	3	1.90
Northside Campus Partners	218,199,824	10	0.90	-		-
KDC (d)	-	-	-	124,366,245	6	1.11
Fujitsu	-	-	-	101,531,176	7	0.90
AT&T (Southwestern Bell/SBC)	-	-	-	100,966,519	8	0.90
Champion Partners	-	-	-	100,435,676	9	0.89
Total	$ 4,237,791,828		17.52 %	$ 1,536,736,024		13.66 %

Source: Dallas County Central Appraisal District, Collin County Central Appraisal District, and City records.
Note:

(a) Includes TIF values

(b) Total Taxable Value (includes TIF values) October 1, 2023 = $24,185,913,258

(c) Total Taxable Value (includes TIF values) October 1, 2014 = $11,235,458,097

(d) Corporate Properties Trust aquired KDC in November 2016.

Table 8

CITY OF RICHARDSON, TEXAS
Property Taxes Levies and Collections
Last Ten Fiscal Years
(unaudited)

				Collected Within the Fiscal Year of the Levy			Total Collections to Date	
Fiscal year ended September 30	Taxes Levied for the Fiscal Year (1)	Subsequent Adjustments & Subsequent Collections	Total Adjusted Levy	Amount	Percentage of Taxes Levied for the Fiscal Year	Collections in Subsequent Years	Amount	Percentage of Adjusted Levy
2024	$ 136,056,858	$ -	$ 136,056,858	$ 135,340,947	99.47 %	$ -	$ 135,340,947	99.47 %
2023	127,160,708	(1,242,140)	125,918,568	126,579,216	99.54	(990,974)	125,588,242	99.74
2022	122,716,964	(383,439)	122,333,525	122,238,084	99.61	(106,111)	122,131,973	99.84
2021	121,211,637	(555,996)	120,655,641	120,738,397	99.61	(310,943)	120,427,454	99.81
2020	113,980,138	(737,736)	113,242,402	113,752,271	99.80	(690,734)	113,061,537	99.84
2019	106,052,791	(613,947)	105,438,844	105,475,738	99.46	(193,017)	105,282,721	99.85
2018	97,013,107	(651,758)	96,361,349	96,535,083	99.51	(303,506)	96,231,577	99.87
2017	87,404,711	(114,627)	87,290,084	87,087,236	99.64	95,989	87,183,225	99.88
2016	78,509,994	(208,482)	78,301,512	78,176,975	99.58	40,359	78,217,334	99.89
2015	70,561,704	(37,660)	70,524,044	70,275,798	99.59	190,946	70,466,744	99.92

(1) Taxes levied for the fiscal year include the certified roll plus any adjustments that occur in the fiscal year that the taxes are due.

Source: Dallas and Collin County Tax Offices, and the City's records.

Table 9

CITY OF RICHARDSON, TEXAS

Ratios of Outstanding Debt by Type
Last Ten Fiscal Years
(unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES										
General obligation bonds	$ 224,310,000	$ 186,655,000	$ 167,815,000	$ 152,665,000	$ 156,265,000	$ 181,100,000	$ 181,910,000	$ 159,740,000	$ 154,310,000	$ 160,715,000
General obligation bonds from direct borrowings	1,935,000	2,285,000	4,445,000	15,015,000	15,015,000	-	-	-	639,412	1,954,259
Certificates of obligation (1)	98,150,000	99,805,000	73,585,000	80,635,000	68,615,000	71,610,000	55,915,000	36,510,000	19,710,000	21,535,000
Certificates of obligation from direct borrowings (1)	-	-	-	2,875,000	8,885,000	13,435,000	18,030,000	21,475,000	17,025,000	17,025,000
Unamortized premium/(discount)	26,794,045	24,194,872	19,340,476	20,836,143	21,165,144	18,212,785	18,389,067	16,341,255	16,398,001	15,950,679
Total general obligation bonds and general obligation bonds from direct borrowings	351,189,045	312,939,872	265,185,476	272,026,143	269,945,144	284,357,785	274,244,067	234,066,255	208,082,413	217,179,938
TIF obligation (2)	82,458,544	86,775,295	90,625,573	94,838,897	92,983,493	97,049,085	87,571,447	86,132,860	62,451,680	41,506,816
Tax Notes	1,920,000	5,340,000	5,605,000	5,855,000	-	-	-	-	-	-
Lease obligation	3,751,993	6,021,634	2,041,850	-	-	-	-	-	-	-
SBITA obligation	6,147,064	6,048,098	-	-	-	-	-	-	-	-
Other obligations	1,117,665	1,503,014	1,934,383	2,006,319	2,444,931	1,115,324	1,352,943	1,962,228	2,554,995	3,832,124
Total TIF and other obligations	95,395,266	105,688,041	100,206,806	102,700,216	95,428,424	98,164,409	88,924,390	88,095,088	65,006,675	45,338,940
Total governmental activities	$ 446,584,311	$ 418,627,913	$ 365,392,282	$ 374,726,359	$ 365,373,568	$ 382,522,194	$ 363,168,457	$ 322,161,343	$ 273,089,088	$ 262,518,878

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) In FY 2019, this table was restated to separate out direct borrowings from debt in accordance with GASB 88. There was no change in the total outstanding debt amounts.

(2) Tax increment financing (TIF) is used to finance public improvements within defined areas for economic development. The developer incurs the costs to install the necessary public infrastructure and other public improvements. The City reimburses the developer based on the increased tax increments within the TIF boundaries over the contracted period. The City's liability to the developer lasts until paid in full or expiration of TIF zone contract.

(3) See Table 13 for personal income and population data.

(Continued)

Table 9

CITY OF RICHARDSON, TEXAS

Ratios of Outstanding Debt by Type (1)
Last ten fiscal years
(Unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
BUSINESS-TYPE ACTIVITIES										
General obligation refunding bonds (1)	$ 7,850,000	$ 10,165,000	$ 12,660,000	$ 15,720,000	$ 16,900,000	$ 13,490,000	$ 16,480,000	$ 19,095,000	$ 21,495,000	$ 17,410,000
General obligation bonds from direct borrowings (1)	-	-	-	-	-	-	-	-	70,588	215,741
Certificates of obligation	81,410,000	70,240,000	58,330,000	47,600,000	38,130,000	39,835,000	32,860,000	28,275,000	25,680,000	32,570,000
Unamortized premium/(discount)	8,200,465	7,810,811	6,694,430	6,671,905	5,709,171	3,616,732	3,414,645	3,189,744	3,261,227	2,080,380
Total general obligation bonds and general obligation bonds from direct borrowings	$ 97,460,465	$ 88,215,811	$ 77,684,430	$ 69,991,905	$ 60,739,171	$ 56,941,732	$ 52,754,645	$ 50,559,744	$ 50,506,815	$ 52,276,121
Total business-type activities	$ 97,460,465	$ 88,215,811	$ 77,684,430	$ 69,991,905	$ 60,739,171	$ 56,941,732	$ 52,754,645	$ 50,559,744	$ 50,506,815	$ 52,276,121
Total primary government	$ 544,044,776	$ 506,843,724	$ 443,076,712	$ 444,718,264	$ 426,112,739	$ 439,463,926	$ 415,923,102	$ 372,721,087	$ 323,595,903	$ 314,794,999
% of personal income (3)	10.7 %	10.5 %	11.2 %	10.9 %	9.4 %	10.9 %	10.9 %	10.0 %	9.0 %	8.9 %
Per capita (3)	$ 4,435	$ 4,134	$ 3,598	$ 3,722	$ 3,685	$ 3,865	$ 3,776	$ 3,470	$ 3,103	$ 3,073

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) In FY 2019, this table was restated to separate out direct borrowings from debt in accordance with GASB 88. There was no change in the total outstanding debt amounts.

(1) Tax increment financing (TIF) is used to finance public improvements within defined areas for economic development. The developer incurs the costs to install the necessary public infrastructure and other public improvements. The City reimburses the developer based on the increased tax increments within the TIF boundaries over the contracted period. The City's liability to the developer lasts until paid in full or expiration of TIF zone contract.

(3) See Table 13 for personal income and population data.

Table 10

CITY OF RICHARDSON, TEXAS
Ratios of General Bonded Debt Outstanding
Last Ten Fiscal Years
(unaudited)

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
GOVERNMENTAL ACTIVITIES										
General obligation bonds	$ 224,310,000	$ 186,655,000	$ 167,815,000	$ 152,665,000	$ 156,265,000	$ 181,100,000	$ 181,910,000	$ 159,740,000	$ 154,310,000	$ 160,715,000
General obligation bonds from direct borrowings	1,935,000	2,285,000	4,445,000	15,015,000	15,015,000	-	-	-	639,412	1,954,259
Certificates of obligation (1)	98,150,000	99,805,000	73,585,000	80,635,000	68,615,000	71,610,000	55,915,000	36,510,000	19,710,000	21,535,000
Certificates of obligation from direct borrowings (1)	-	-	-	2,875,000	8,885,000	13,435,000	18,030,000	21,475,000	17,025,000	17,025,000
Unamortized premium/(discount)	26,794,045	24,194,872	19,340,476	20,836,143	21,165,144	18,212,785	18,389,067	16,341,255	16,398,001	15,950,679
Total general obligation bonds and general obligation bonds from direct borrowings	351,189,045	312,939,872	265,185,476	272,026,143	269,945,144	284,357,785	274,244,067	234,066,255	208,082,413	217,179,938
BUSINESS-TYPE ACTIVITIES										
General obligation refunding bonds (1)	7,850,000	10,165,000	12,660,000	15,720,000	16,900,000	13,490,000	16,480,000	19,095,000	21,495,000	17,410,000
General obligations bonds from direct borrowings (1)	-	-	-	-	-	-	-	-	70,588	215,741
Certificates of obligation	81,410,000	70,240,000	58,330,000	47,600,000	38,130,000	39,835,000	32,680,000	28,275,000	25,680,000	32,570,000
Unamortized premium/(discount)	8,200,465	7,810,811	6,694,430	6,671,905	5,709,171	3,616,732	3,414,645	3,189,744	3,261,227	2,080,380
Total general obligation bonds and certificates of obligation (1)	97,460,465	88,215,811	77,684,430	69,991,905	60,739,171	56,941,732	52,574,645	50,559,744	50,506,815	52,276,121
Total primary government	$ 448,649,510	$ 401,155,683	$ 342,869,906	$ 342,018,048	$ 330,684,315	$ 341,299,517	$ 326,818,712	$ 284,625,999	$ 258,589,228	$ 269,456,059
% of actual taxable value of property	2.1 %	2.0 %	1.9 %	2.1 %	2.0 %	2.2 %	2.3 %	2.1 %	2.2 %	2.5 %
Per capita	$ 3,657	$ 3,272	$ 2,797	$ 2,863	$ 2,860	$ 3,001	$ 2,967	$ 2,650	$ 2,479	$ 2,631

Note: Details regarding the City's outstanding debt can be found in the notes to the financial statements.

(1) .In FY 2019, this table was restated to separate out direct borrowings from debt in accordance with GASB 88. There was no change in the total outstanding debt amounts.

(2) See table 5 for property value data

CITY OF RICHARDSON, TEXAS
Direct and Overlapping Governmental Activities Debt
September 30, 2024
(unaudited)

Government unit	Debt Outstanding	Estimated Percentage Applicable (1)	Estimated Share of Overlapping Debt	
Debt Repaid With Property Taxes:				
Richardson Independent School District	$ 1,002,225,000	36.69 %	$ 367,716,353	
Plano Independent School District	886,020,000	14.99	132,814,398	
Dallas County	198,645,000	3.29	6,535,421	
Dallas County Hospital District	527,660,000	3.29	17,360,014	
Dallas College	318,675,000	3.29	10,484,408	
Garland Independent School District	1,111,765,000	0.07	778,236	
Collin County	841,715,000	5.07	42,674,951	
Collin County Community College District	459,865,000	5.07	23,315,156	
Subtotal, Overlapping Debt			601,678,937	
City Direct Debt			415,575,000	(2)
Total Direct and Overlapping Funded Debt			$ 1,017,253,937	

(1) Estimated percentage applicable to the City is calculated by taking each entity's taxable values within the City and dividing by the total taxable value for that entity.

(2) Includes unamortized premium and discounts of $26,794,045 and tax notes, financed purchases and other contractual obligations, lease obligations, SBITA obligations, and TIF obligations of $95,395,266. Amounts for other governmental units only include the value of bonded debt outstanding.

Source: Hilltop Securities Inc.

CITY OF RICHARDSON, TEXAS
Legal Debt Margin Information
Last Ten Fiscal Years
(unaudited)

Year		Debt Limit	Total Net Debt Applicable to Limit (1)	Legal Debt Margin	Estimated Share of Overlapping Debt
2024		$ N/A	$ N/A	$ N/A	N/A%
2023		N/A	N/A	N/A	N/A
2022		N/A	N/A	N/A	N/A
2021		N/A	N/A	N/A	N/A
2020		N/A	N/A	N/A	N/A
2019		N/A	N/A	N/A	N/A
2018		N/A	N/A	N/A	12.41
2017		N/A	N/A	N/A	N/A
2016	(2)	1,493,821,784	214,000,450	1,279,821,334	14.33
2015		1,452,124,244	223,036,472	1,229,087,772	15.36

(1) Does not include premiums, discounts or other obligations as these amounts do not apply to the City's debt limit.

(2) As of November, 2015 the City's Charter was amended to include a Tax Rate Limitation that stipulates that the City may borrow money for permanent public improvements or any other legitimate purpose as may be determined by the City Council, in accordance with the Constitution and the laws of the State of Texas. The Constitution places a limit on the ad valorem tax rate that may be levied for repayment of the ad valorem tax debt, but there is no formal limit on the amount of ad valorem debt that may be borrowed. Prior to the 2015 charter election, the City's limit was equal to 15 percent of the assessed value of the tax roll.

CITY OF RICHARDSON, TEXAS
Demographic and Economic Statistics
Last Ten Calendar Years
(unaudited)

Calendar Year	Estimated Population (1)	Personal Income (thousands of dollars)	Per Capita Personal income (2)	Median Age (2)	School Enrollment R.I.S.D.(3)	School Enrollment P.I.S.D.(4)	Unemployment Rate (%) (5)
2024	122,678	$ 5,832,000	$ 47,539	34.5	36,224	52,629	3.6 %
2023	122,615	5,309,843	43,305	35.0	37,260	49,035	3.0
2022	122,574	4,952,809	40,406	35.1	37,633	49,055	3.0
2021	120,640	4,828,698	40,026	35.6	38,787	50,405	3.8
2020	119,469	4,828,698	34,637	35.6	39,619	53,952	3.5
2019	113,710	4,046,256	35,584	37.6	39,103	53,085	3.2
2018	110,140	3,814,919	34,637	37.6	39,314	53,952	3.5
2017	107,400	3,720,014	34,637	37.6	39,272	53,952	3.0
2016	104,300	3,612,639	34,637	37.6	38,792	54,818	3.7
2015	102,430	3,547,868	34,637	37.6	38,618	54,818	3.5

Sources:

(1) NCTCOG as of April for each year. 2021 and 2022 population numbers previously from US Census Bureau are updated to show NCTCOG's revised estimates.

(2) Information regarding 2015-2024 was compiled from the Richardson Economic Development Partnership. Data for 2024 is compiled from the Richardson Economic Development Department. 2021 and 2022 per capita personal income recalculated to incorporate NCTCOG's revised population estimates.

(3) School Enrollment - Richardson Independent School District (district-wide, not limited to Richardson residents). Approximately 36% of RISD is within the City of Richardson.

(4) School Enrollment - Plano Independent School District (district-wide, not limited to Richardson residents).Approximately 15% of PISD is within the City of Richardson.

(5) Unemployment - Texas Workforce Commission Website.

Note: The City of Richardson is located in both Dallas and Collin Counties. School children residing in Dallas County are enrolled in the Richardson Independent School District while those residing in Collin County are enrolled in the Plano Independent School District.

CITY OF RICHARDSON, TEXAS
Principal Employers
Current Year and Nine Years Ago
(unaudited)

	2024			2015		
Employer	**Employees (1)**	**Rank**	**Percentage of Total City Employment (2)**	**Employees (3)**	**Rank**	**Percentage of Total City Employment (4)**
State Farm Insurance	12,000	1	9.60 %	8,000	1	5.88 %
RISD	5,500	2	4.44	2,500	5	1.84
Blue Cross & Blue Shield of Texas	5,300	3	4.24	3,100	3	2.28
University of Texas Dallas	3,700	4	2.94	2,700	4	1.97
Raytheon	2,500	5	2.00	-		-
MRMC	2,300	6	1.84	-		-
Cisco	2,000	7	1.60	1,400	9	-
Geico	2,000	7	1.60	-		1.03
Texas Instruments	1,800	8	1.44	-		-
UHC	1,700	9	1.36	1,700	6	1.25
RealPage	1,300	10	1.05	-		-
AT&T	-		-	5,000	2	3.68
Fujitsu Network Communications	-		-	1,500	7	1.10
Fossil, Inc.	-		-	1,400	8	1.03
Samsung	-		-	1,000	10	0.74
Qorvo	-	-	-	1,000	10	0.74
iQor	-	-	-	1,000	10	0.74
Total	40,100		32.11 %	30,300		22.28 %

Source:

(1) Richardson Economic Development Department as of January 2025.

(2) 2015 information compiled from the Richardson Economic Development Partnership. The Richardson Economic Development Department totaled city employment at 124,942 as of September, 2024.

(3) Richardson Economic Development Partnership as of September, 2014.

(4) NCTCOG as of September, 2015 total city employment was approximately 136,030.

(5) RISD Employment number is district-wide as of January 2024.

Table 15

CITY OF RICHARDSON, TEXAS
Full-Time Equivalent City Government Employees by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
General government	166	160	158	179	159	168	165	152	153	153
Public safety	457	448	449	432	433	432	432	428	419	411
Public services	159	155	164	165	163	148	141	156	156	154
Library	30	30	30	29	30	30	30	30	30	30
Parks and recreation (1)	92	92	92	100	95	101	101	95	95	94
Public health	21	21	21	19	18	18	18	18	18	17
Water	69	68	64	68	76	73	72	70	70	68
Wastewater	16	16	12	12	12	15	14	14	12	12
Solid waste	69	71	70	73	71	71	71	71	71	71
Total	1,079	1,061	1,060	1,077	1,057	1,056	1,044	1,034	1,024	1,010

(1) In FY 2015, the Golf function was reclassified into the Parks and Recreation function.
Source: City Budget Office.

Table 16

CITY OF RICHARDSON, TEXAS
Operating Indicators by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public safety:										
Police: Number of employees	270	270	267	241	268	267	267	263	258	253
Fire: Number of employees	184	175	165	169	165	165	166	165	161	158
Municipal court:										
Number of violations (citations)	12,083	12,903	14,558	26,985	27,272	37,242	36,269	31,338	32,313	39,042
Public services:										
Asphalt repairs (tons)	1,112	790	900	900	548	897	718	775	662	600
Concrete replacement (yards)	1,515	1,343	1,364	1,560	1,804	1,743	2,234	2,359	2,382	3,118
Parks and recreation: Acreage (3)	1,102	1,099	900	900	900	900	900	900	873	870
Library: Volumes in collection (2)	237,454	287,390	276,965	280,183	275,138	260,881	255,904	256,620	252,789	252,261
Water and sewer:										
Number of water consumers	33,655	33,744	33,627	33,617	33,532	33,549	33,424	33,427	33,249	33,046
Average daily water consumption (thousands of gallons)	27,664	29,276	25,984	22,579	23,372	22,773	24,203	22,522	21,920	22,478
Number of sewer consumers	30,167	30,227	30,144	30,170	30,119	30,121	30,016	29,983	29,869	29,681
Solid waste:										
Residential refuse collected (tons/day)	143	132	135	131	133	140	132	151	163	188
Bulky/brush pickups (tons/day) 4	16	21	24	30	34	34	23	24	37	36
Recyclables collected (tons/day)	17	17	19	20	20	20	20	19	27	26
Golf: Number of rounds played (1)	69,160	97,406	94,499	93,352	95,689	74,577	72,451	74,355	68,823	47,893

(1) Course 1 was closed from February 1, 2015 through October 16, 2015 and closed for renovation during FY 2024.
(2) For FY 2024, library downsized when moved to temporary City Hall space.
(3) In FY 2023, a Parks, Recreation and Open Space Master Plan was updated that reassessed acreage.
(4) In FY 2024, bulky/brush pickups lower due to contracted services to pick up storm debris.
Source: City Departments

Table 17

CITY OF RICHARDSON, TEXAS
Capital Asset Statistics by Function/Program
Last Ten Fiscal Years
(unaudited)

Function/program	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
Public safety:										
Police stations	2	2	2	2	2	2	2	2	2	2
Police patrol units	50	49	45	48	48	48	45	43	43	46
Volunteer patrol units	2	2	2	3	3	3	3	3	3	3
Fire stations	6	6	6	6	6	6	6	6	6	6
Public works:										
Streets - paved (miles)	593	593	593	592	592	591	591	590	590	587
Alleys - paved (miles)	223	223	223	223	223	223	223	223	223	222
Sidewalks (miles)	819	734	706	703	703	697	696	683	680	678
Streetlights (1)	8,037	8,353	6,301	6,301	6,301	6,301	6,301	6,301	6,301	6,288
Parks and recreation:										
Parks	42	39	39	38	38	38	38	38	36	35
Playgrounds	33	32	32	32	32	32	32	32	31	31
Swimming pools	5	5	5	5	5	5	5	5	5	5
Tennis courts	30	30	32	32	32	32	32	32	32	32
Recreation centers	2	2	2	2	2	2	2	2	2	2
Senior center	1	1	1	1	1	1	1	1	1	1
Water:										
Water mains (miles)	584	580	580	578	545	585	585	585	585	581
Fire hydrants	4,879	4,830	4,808	4,778	4,688	4,666	4,630	4,609	4,522	4,419
Wastewater:										
Sanitary sewers (miles) (2)	436	435	427	425	417	503	503	503	503	503

(1) Starting FY 2023, Streetlight totals include lighting within tunnels and Oncor lighting.

(2) FY 2021, the wastewater sanitary sewer miles reported were restated to exclude abandoned lines.

Source: City Departments

CITY OF RICHARDSON, TEXAS

Schedule of Pension Benefits Funding Progress (1)

Last Ten Fiscal Years

(unaudited)

			(a)	(b)	(c)	(d)		(e)	
Actuarial valuation date		**Fiscal Year**	**Actuarial Value of Assets**	**Actuarial Accrued Liabilty (AAL)**	**Funded Ratio (%) (a)/(b)**	**Unfunded ALL (UAAL) (b)-(a)**	**Equivalent Single Amortization Period in Years**	**Annual Covered Payroll (2)**	**UAAL as a Percentage of Covered Payroll (%) (d)/(e) (2)**
12/31/23		2024	$ 608,392,691	$ 659,869,967	92.20 %	$ 51,477,276	11	$ 86,895,204	59.24 %
12/31/22		2023	584,747,116	639,144,394	92.23	45,564,298	12	79,812,406	57.09
12/31/21		2022	568,808,555	613,057,391	90.66	52,945,454	13	78,289,774	67.63
12/31/20		2021	540,803,854	586,368,152	89.92	54,949,186	14	78,960,617	69.59
12/31/19		2020	490,140,485	545,089,671	89.86	52,982,674	14	75,570,212	70.11
12/31/18		2019	490,140,485	545,089,671	88.75	56,375,975	15	75,570,212	74.60
12/31/17		2018	469,640,036	522,622,710	87.17	46,066,373	16	72,840,621	63.24
12/31/16		2017	444,939,761	501,315,736	88.75	56,375,975	16	70,066,638	80.46
12/31/15	(3)	2016	313,084,736	359,151,109	87.17	46,066,373	17	58,251,916	79.08
12/31/14		2015	176,026,211	276,540,082	63.65	100,513,871	25	58,633,974	171.43

(1) This schedule shows the pension benefit on a funding basis, as reported by TMRS each year. The funding basis, which is used to determine the City's annual contribution rate, uses an actuarial value for plan assets rather than a market value. This data is used to show ongoing funding progress of the plan with the normal cyclical swings of the stock market average out next year.

(2) Covered annual payroll and UAAL as a percentage of covered payroll are based on the fiscal year. The rest of the information is provided by TMRS on a calendar year basis.

(3) In 2013, the TMRS Board, in preparation for implementation of GASB Statement No, 68, Accounting and Financial Reporting for Pensions - an amendment of GASB Statement No. 27, changed the actuarial cost method to entry age normal and updated post-retirement mortality assumptions. These changes were incorporated into the TMRS 2013 actuarial valuation which had the net effect of reducing the City's funded ratio and reducing the remaining amortization period from 25.3 to 17 years for the City's fiscal year 2014.

RICHARDSON®
TEXAS

THIS PAGE LEFT BLANK INTENTIONALLY

RICHARDSON
TEXAS

CITY OF RICHARDSON
2360 Campbell Creek Blvd.
Richardson, Texas 75082

Finance Department | 972-744-4145
Main Switchboard | 972-744-4100
www.cor.net